

FCL:SEC:AGM:17:240
29th September, 2017

Corporate Relationship Department
BSE Limited
1st Floor, New Trading Ring
Rotunda Building, P J Towers
Dalal Street, Fort, Mumbai – 400 001

Dear Sir,

Re : Annual General Meeting of the Company held on 28th September, 2017 –
Voting Results, Scrutinizer's Report, Annual Report and Payment of Dividend, etc

We refer to our prior correspondence including letter Ref.No.FCL:SEC:AR16-17:222 dated 1st September, 2017 enclosing a copy of the Annual Report with Notice for the Annual General Meeting (AGM), Explanatory Statement thereto and would now enclose following for your information and record:

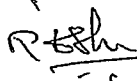
- (1) Voting results of said AGM given in the format prescribed by SEBI vide Circular Ref CIR/CFD/CMD/8/2015 dated 4th November, 2015 pursuant to Regulation 44(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (2) Scrutinizer's Report dated 28th September, 2017 received from Mr S V Deulkar (C.P.No.965), Partner, M/s SVD & Associates, Company Secretaries, Pune, on the remote e-voting and poll voting process, as Scrutinizer appointed by the Company; and
- (3) A copy of Annual Report for the Financial Year ended 31st March 2017 that was approved by the Members at the AGM.

We would also inform you that at the AGM held on 28th September, 2017 the Members have, *inter alia*, approved the audited financial statement (including the consolidated financial statements) for the financial year ended 31st March, 2017. Please note the resolutions as set out in the Notice calling the said Annual General Meeting under the Sr.Nos.1,2,4,10,12 and 13 have been passed unanimously, resolutions at Sr.Nos. 3,6,8 and 11 have been passed with requisite majority, whereas resolutions at Sr. Nos.5,7 and 9 have been defeated on the date of the Annual General Meeting i.e. 28th September, 2017.

As informed earlier the dividend approved @ 150% on the Paid-up Equity Share Capital of the Company will be paid to the Members, eligible for the same, by ECS / issue of dividend warrants dated 10th October, 2017 which are proposed to be remitted/posted to the Members accordingly.

Thanking you,

Yours faithfully
For FINOLEX CABLES LIMITED



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

Encl : As above.



A JOURNEY OF MILESTONES

Finolex
Cables Limited

ANNUAL REPORT 2017

The world is changing every second. As an almost six decade old Organisation, the greatest challenge is to constantly reinvent itself to foster innovation. Our progress so far is resonant to that. The company is adapting to new world challenges while maintaining the same core values that guided them this far.

At Finolex Cables, we are pro active and keep 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 has been a journey of many pleasant memories and learnings that enriched our experience. The belief in our abilities is now guiding our way forward.

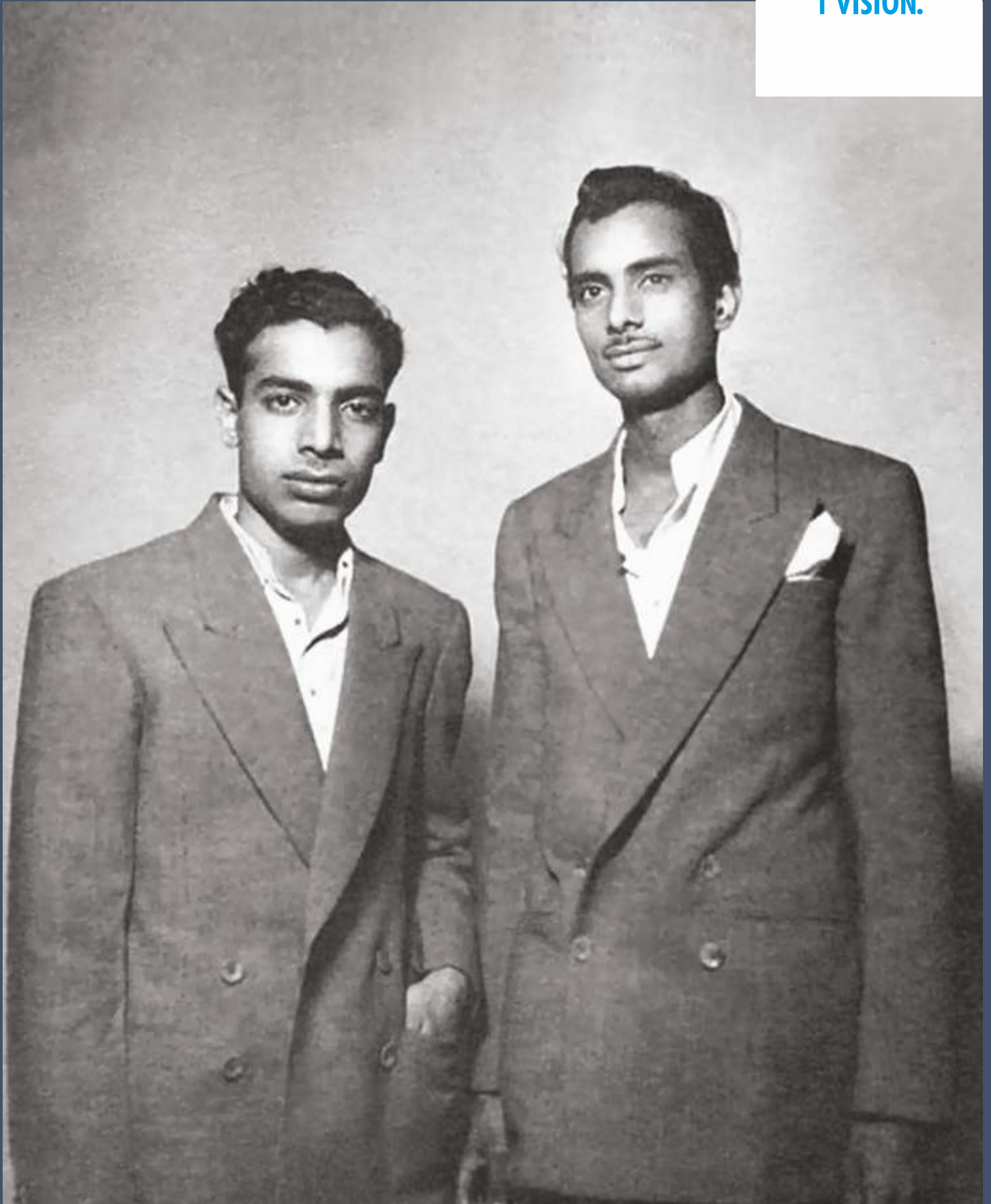
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1958 - THE BEGINNING

Two young brothers, P.P. Chhabria and K.P. Chhabria came to Pune from Karachi in search of livelihood and within six months set up a small shop selling electrical cables. What started then as an intent, is today a journey of milestones around a single vision to make Finolex Cables a household name that realises dreams – for the nation, for our people and for Finolex.

**2 FOUNDERS,
1 VISION.**



**MANY FIRSTS
THAT BECAME
INDUSTRY
BENCHMARKS**

A MULTI STRAND WIRE PRODUCT THAT BECAME THE DE-FACTO STANDARD IN THE INDUSTRY

Post the Independence era in early 50's, the concept of using Electrical Wires for Domestic purpose was restricted to either Aluminium Conductor or Single strand Copper Conductor Cables. This technology though accepted, was soon becoming unpopular due to various disadvantages in handling the Product.

It is here that **FINOLEX** came up with solution of manufacturing the Wires with stranded conductors. This not only made the Wire more flexible, but was also easy to handle during installation. The Product gained immense popularity and soon became an accepted norm and was followed by others in the Industry. This gave us confidence to expand in to the entire range of Wires for Domestic wiring with stranded conductors, which were approved by Indian Standards Institution (now BIS.)

With modern day urbanisation giving rise to high rise Apartments & Buildings, it was necessary to safeguard the interest of communities. Thus, **FINOLEX** developed and introduced various varieties such as FR, FRLS, HFFR type of Wires as well.

OTHER FIRSTS

- First to manufacture auto cables.
- First in private sector to manufacture and supply JFTC.
- First to launch FRLS wires and cables.
- First to make coaxial cables using physical foam process.
- First to make aerial cable designs.
- First to manufacture in India, LAN cables with UL verification.
- Only company to manufacture power cables upto 500 KV.
- First to be integrated backwards and capture entire value chain.

GLOBAL JV'S

FINOLEX J POWER | FINOLEX ESSEX | AT&T FINOLEX | CORNING FINOLEX

**CONTRIBUTING
TO MAKE IN
INDIA, FINOLEX
BRINGS THE BEST
IN THE WORLD**



FINOLEX J POWER PLANT AT SHIRWAL, PUNE

Finolex brought the world's best Continuous Cast Copper Rods (CCCR) technology to India by setting up the Copper Rod plant at Goa in collaboration with ESSEX Group USA. ESSEX Group (later name changed to Superior) is one of the oldest & largest US based Company and is considered as worldwide leader in CCCR and magnet wire technology. Superior as part of their restructuring, exited the Indian market and the JV merged into FCL and became a wholly owned Division of Finolex Cables.

The Copper Rod plant gives us an advantage of using 99.99% pure Copper in our Wires & Cables, besides giving reliability in raw material. This Plant has capacity to convert 5000 MT of Copper Cathodes in to Copper Rods per month. While major production is consumed In-House, the balance output is earmarked for Trade, which has wide acceptance.

Faster, reliable and better communication is of prime importance in modern day business. In Late 80's FINOLEX became the FIRST Company in the Private industry to manufacture Jelly Filled Telephone Cables. This was a new concept, which was accepted by National Telecom Provider DoT (now BSNL). This phase lasted for more than a decade, before the advent of Fiber Optic technology came in the Country.

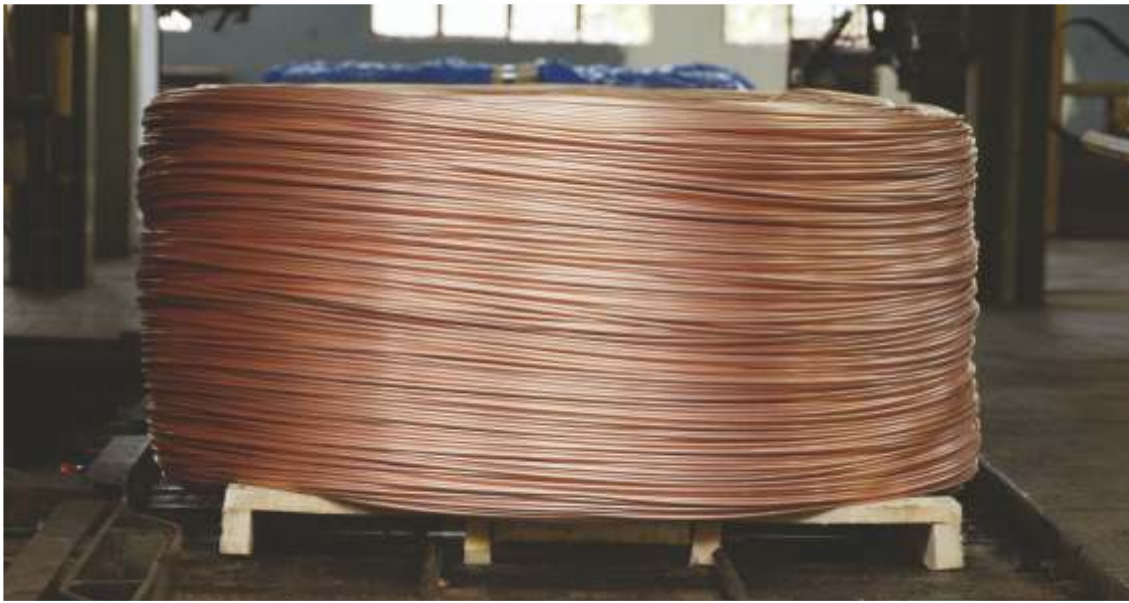
FINOLEX was honoured to have a Joint Venture with world leaders in Communication technology, AT&T, a US based, largest Telecommunication player in the world. It was only after several rounds of strict and exhaustive audits, did AT&T choose FINOLEX as their partners in India. This Partnership was certainly a milestone, as at that point in time AT&T's turnover was larger than the GDP of our country. We developed and offered full range of Optic Fiber Cables and successfully supplied to DoT (now BSNL) and other Public & Private Sector operators.

After AT&T (Lucent Technologies) moved away from India, the JV got merged with FCL and since then has been a leading manufacturer of Optic Fiber Cables in India. Over the years we also developed higher size Cables and now boast of supplying Cables up to 288 Fiber count.

Just like we took a backward integration step to manufacture our own Copper to capture the entire value chain, we also set-up Plant to draw our own Optic Fiber. We also tied up in a Marketing JV with Corning, who are world leaders in Optic Fiber Technology.

TECHNOLOGY PARTNERS

**OUR RELENTLESS
ATTITUDE TO
ENSURE QUALITY
IS DELIVERED
AT EVERY STEP.**



- **NSW GERMANY**
Winding Wires
- **ESSEX INC USA**
Telephone Cables, Copper Rods
- **GE USA**
Compounds
- **AT&T USA**
Fibre Optic Cables
- **SUMITOMO**
EHV Power Cables
- **CORNING**
Fiber

DIGITISATION - A PARADIGM SHIFT

**EMBRACING
TECHNOLOGY - A
PARADIGM SHIFT
FOR CUSTOMER
SATISFACTION**



Finolex believes in keeping pace with the changing times. A digitisation strategy is implemented by embracing technology to pass on the edge to the customers.

A Channel Partners App "Finolex Konnect" that brings their business to new levels of transparency, speed and ability to service their customers. They can book orders, check status and also in real time look at their account profiles on incentives and much more.

A user friendly Sales Team App that connects every sales person to the Head office at any given point of time. This technology is enhancing the efficiency of the sales team. It enables field teams with processes like order management, visit reporting for outlets and influencers, new outlet mapping, expense management, market intelligence in the trade channel, sales targets mapping and many others. Sales Team is now powered with the technology.

Never has Finolex forgotten a Customer. Built an Electricians App that is designed to solve a dual challenge - a consumer can find a verified electrician in his or her area to service their requirements and an electrician gets new business opportunities - all via messages, calls, notifications through this App. This App also gives the electricians important information like prices, near by dealers etc.

E-Store.

A business which has been largely off ground, Finolex is bringing a new facet to buying electricals. Built an estore which facilitates buyers to book online and the logistics is planned immaculately to provide convenience to buyers. The estore is evolving and will be rich with Content such as Videos, write ups etc that would assist the buyer to make the right choice.

Yet another testimonial of Finolex Cables initiative to keep customer at the centre of everything!

FROM CUSTOMERS TO CONSUMERS

Finolex Cables Ltd is India's largest and leading manufacturer of electrical and communication cables. Finolex embarks on a new journey - TO BE A LEADING ELECTRICAL PRODUCTS CONGLOMERATE - LEDs, Switches, Fans, MCBs, Water Heaters and more to come. We believe, we will replicate the success story once again and make a home... a Finolex home with the highest levels of customer satisfaction.

**AN ELECTRICAL
PRODUCTS RANGE
THAT DELIVERS
SMILES**



Product Range



EXECUTIVE CHAIRMAN'S MESSAGE



Dear Shareholders,

2016-17 was an extremely interesting and eventful year – internationally, the results of the US Presidential elections and the referendum in UK threw up situations that continue to pose challenging business situations. At home, in a sudden but swift act, the government de-notified a set of currency notes that brought immediate challenges to business and growth across different sectors. Still ahead of us is the long-expected GST – while we hope this brings about transparency and overall growth to the economy, we should nevertheless be prepared for substantial changes in the way that business is run in the country. We met these challenges head on and I do feel proud to say that we handled these challenges in a professional manner – we communicated appropriately with stakeholders and took decisions as required. It is in this context that the attached results should be seen. As an organisation, we are proud of the following:

- Our commitment to quality in all that we do
- Our transparent way of doing business
- Our unflinching commitment to the ethical standards that our founders instilled in us
- Our sense of fairness in dealing with every one of our stakeholders

In the year 2016-17, while the top-line grew from Rs.25747.3 million to Rs. 26707.5 million (a growth of 4%), the volume growth was much higher at 11%. More impressively, PAT grew from Rs.2488.6 million to Rs. 3158.8 million (growth of 27%). Our continuous work on improving both cost and manufacturing efficiencies is paying off. We are currently debt free with all our loans having been paid off. We have built a cash chest over the last couple of years that should come in handy as we look towards emerging opportunities.

Your Company's diversification plan continues as we launched a complete range of Water Heaters during the last quarter of the year and all our new products like Switches, MCBs, Lighting, Fans and Water Heaters are being well received in the market. While we look at new avenues of growth, we continued to expand in our traditional business and expanded capacity in Electrical Wires and Fiber Optics during the year as well.

As we look to the future, we have an economy full of growth possibilities – low inflation, interest rates that should decline, steady currency, continued focus by the government in investing in infrastructure and importantly reforms in multiple areas of the economy (be it taxes, labour, or trade.) We feel positive about these changes and expect that these will offer substantial opportunities for the company to grow.

I look forward to your continued support and guidance in the coming periods to ensure that we take the company to greater heights.

With Best Wishes,

Deepak Chhabria
Executive Chairman

49th Annual Report 2017

BOARD OF DIRECTORS

D. K. Chhabria

Dr. H. S. Vachha

Atul C. Choksey (upto 04-11-2016)

Sanjay K. Asher

P. G. Pawar

S. B. (Ravi) Pandit

Pradeep R. Rathi

Adi J. Engineer (upto 30-05-2017)

Namita V. Thapar

Sumit N. Shah (w.e.f. 14-02-2017)

Shishir Lall (w.e.f. 30-05-2017)

Mahesh Viswanathan

Executive Chairman

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
Axis Bank Ltd.

Auditors

B K Khare & Co.
Chartered Accountants

Cost Auditors

Joshi Apte & Associates
Cost Accountants

Secretarial Auditors

SVD & Associates
Company Secretaries

Solicitors

Crawford Bayley & Co.

Registered Office

26-27, Mumbai - Pune Road,
Pimpri, Pune – 411 018, India
Tel.: 020 – 27506200 / 27475963

CIN: L31300MH1967PLC016531

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Directors' Report

To

The Members

Your Directors are pleased to present their 49th Annual Report and Audited Accounts for the year ended 31st March, 2017.

FINANCIAL RESULTS:

(Rs. In Million)

	Standalone		Consolidated	
	2016-17	2015-16	2016-17	2015-16
INCOME				
Revenue From Operations (Net)	26,707.5	25,747.3	26,707.5	25,747.3
Other Income	1,002.1	644.4	593.5	561.3
Total	27,709.6	26,391.7	27,301.0	26,308.6
EXPENDITURE				
Material Costs	19,527.7	19,353.9	19,527.7	19,353.9
Employee Benefit Expense	1,191.9	1,072.2	1,191.9	1,072.2
Finance Costs	42.9	89.5	42.9	89.5
Depreciation, Amortization and Impairment	480.3	579.9	480.3	579.9
Other Expenses	2,273.6	1,932.3	2,028.6	1,737.8
Total	23,516.4	23,027.8	23,271.4	22,833.3
Profit Before Exceptional and Extraordinary Items & Tax	4,193.2	3,363.9	4,029.6	3,475.3
Tax Expense:				
Current Tax	1,159.1	1,033.6	1,159.1	1,033.6
Deferred Tax	(40.6)	(70.6)	(40.6)	(70.6)
Taxes of earlier year	(84.1)	(87.7)	(84.1)	(87.7)
Profit Before Exceptional and Extraordinary Items	3,158.8	2,488.6	2,995.2	2,600.0
Share of Profit / (Loss) of Associate			1,007.3	686.9
Profit After Tax	3,158.8	2,488.6	4,002.5	3,286.9
Other comprehensive Income net of tax (Loss) / Gain	37.7	(75.8)	24.7	(84.0)
Total comprehensive Income for the period	3,196.5	2,412.8	4,027.2	3,202.9

The above results are based on the Company's adoption of Accounting Standards as reflected in IND AS. Previous year's data has been restated to be in compliance with the new Accounting Standards.

BACKGROUND

Global growth, according to various estimates, has been a moderate 3.5% during the last year. Our local economy registered a growth of 7.1% during the last financial year – while agriculture, public utilities and administration showed real growth, the 2nd half performance by manufacturing, services and construction sectors recorded a much slower growth, reflecting the impact of demonetization on much of the informal sectors. In your Company's case, while revenue growth from a value perspective has been muted on account of the soft commodity prices during the year, volume expansion has been very visible. The continued reiteration that the Government would focus on infrastructure building via support to the previously announced programs such as the various Industrial Corridors, Railways Investments, Smart City Initiatives, Digital Connectivity and Make in India, Power generation thru non-conventional energy sources, etc., augur well for your Company's chosen areas.

OPERATIONS

OVERALL: As mentioned above, revenue growth was muted (at 4%) in view of the "soft" commodity prices that prevailed for the first 3 quarters, with copper prices recovering only during the 4th quarter. Volume growth was, however, robust during the year. Volumes were higher in all product lines – as compared to the previous year, Electrical Wires grew by 8%, Flexible Wires by 22%, and all Communication Cables by over 22%.



Finolex

Cables Limited

Income for the year under review was higher at Rs. 27,709.6 million (previous year Rs. 26,391.7 million) representing a growth of 5% over the previous year. Your Company has recorded a Net Profit Before Tax of Rs. 4,193.2 million as against Rs. 3,363.9 million in the previous year a growth of 24.7%.

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

EXPORTS: The market conditions overseas continue to be difficult and hence FOB value of exports for the year was lower than the previous year at Rs 316.1 million (Previous year's export value of Rs. 416.5 million).

FINANCE

The short term debt programs of your Company continue to be rated by CRISIL. Since the last few years, these have been accorded the highest ratings that CRISIL issues (A1+). Your Company retained the AA+/stable rating for its long term non-convertible debentures program.

During the year, your Company repaid its outstanding loans ahead of due date. Post this repayment your Company is debt free.

Financial costs have been contained to the minimum required levels. The Company continues to meet all its financial commitments in a timely manner.

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

Your Directors have pleasure in recommending a dividend on equity shares of 150%. The amount thereof per equity share will be Rs.3/-. The total dividend outgo (including dividend tax) will be Rs 552.2 million.

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

EXPANSION & NEW PRODUCTS

Your Company launched its low duty switchgears in the market in December 2016. The product has been perceived well in the market. Several variants of the same have since been released to the market.

Fan segment – members will be pleased to know that a completely new range of fans, specially designed for your Company, had been introduced in the market in May 2016. While the current introduction targets all price segments, it is the intention of your Company to constantly innovate and bring new and meaningful designs to the market from time to time.

The third product launch during the year was Water Heaters. A soft launch was made in January 2017 with the "instant" variety – it is the intention of your Company to introduce more products across the family in the near future.

These new products are expected to open up a new growth area for your Company as well as take it on the path of being an Electrical Products and Solutions Company eventually.

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 Private Limited

The Central government and many state governments are giving thrust to Infrastructure sector. The Power Ministry has announced restructuring of state utilities and also make India power surplus by the year 2020. Metro projects have been commenced in many cities and Smart city projects for 100+ cities had been announced which would result in substantial increase in demand for evacuation, transmission of electricity and hence demand for Extra High Voltage Cables in cities and emerging cities.

The demand push for EHV cables is witnessed in many states which are eying for faster development and many tenders have been floated by State Utilities in the current financial year.

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The previous year had been very positive for the JV in terms of market penetration, reach and visibility in relationship building with customer base and the same is reflected in terms of company's ability to participate in tender in almost 17 states and number of firm enquiries received showed multifold growth. The challenge remains for participation in large tenders which require the bidders to have substantial quantum of supply, laying and commissioning experience as well as high turnover and profits. The JV had identified various eligible EPC Contractors and erectors and is working out various models to enter into partnerships with such eligible EPC Contractors and Erectors for necessary participation in tender and win some business.

The JV has also registered itself with most of the private power companies and participates in tenders floated by them.

The JV is continuously working with the Central and State Government for creating level playing field and for promoting technically superior products for such an important sector which historically suffer from line losses and frequent breakdowns because of poor products and poor installations. The governments see the merits and accordingly are facilitating company participations in tenders.

While the level of tender participation has improved, the tender conclusion process is still very slow and the JV is awaiting the results in most tenders that it has participated in.

The JV's 400kV Extra High Voltage Cable PQ tests in international laboratory is at an advanced stage. When completed and certified (expected by Dec 2017) this would give a big thrust to the Company's participation in 220kV and higher voltage grade tenders which have better margins, value and volumes.

It is currently estimated that the JV will still take between 18 and 24 months to achieve break even 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 has been an erosion of net worth in the JV. Taking a prudent view of the same, an amount of Rs 245.0 million has been recognized as a diminution in the value of investment. During the year, your Company injected equity of Rs 196.0 million, taking the Company's participation up to Rs 1,178.5 million at the end of FY 2016-17.

Corning Finolex Optical Fiber Private Limited

During the financial year ended on March 31, 2017, the JV clocked sales of Rs 2,015.96 million (previous year Rs 1,772.36 million) and is now at break-even levels.

With consumer demand increasing for mobile data services and e commerce, it is hoped that the fiber penetration in India will improve. Further, Government initiatives such as Bharat Net and Digital India are expected to add buoyancy to demand. Demand for better quality and feature rich products is on the increase and the JV expects to capitalize on the same. Your Company's participation in the JV's equity at the end of FY 2016-17 remains at Rs17.5 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 1,748 permanent employees on its rolls as on 31st March, 2017 (previous year 1,694 permanent employees as on 31st March, 2016).

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 F to this Report.



Finolex

Cables Limited

KEY MANAGERIAL PERSONNEL

The following persons continued as Key Managerial Personnel during the year 2016-17:

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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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 Regulation 17(8), Part B Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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.

CORPORATE SOCIAL RESPONSIBILITY ('CSR')

During the year, your Company had approved an expenditure of Rs 39.0 million towards construction of a building / hall for a self- help group to promote self-employed women, multipurpose training hall to be used by the police department, improvement of health care at rural areas, improvement in school infrastructure at places where the Company is located and provision of sewage treatment facility. While this amount was approved in 2016-17, the actual spend in the year 2016-17 was Rs.15.8 million and the balance amount is to be spent in the year 2017-18.

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.

DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and the relevant Rules framed thereunder and of 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. The requisite details regarding his re-appointment are set out in the Notice for the ensuing Annual General Meeting.

At its meetings held on 14th February, 2017 and 30th May, 2017 the Board appointed Mr. Sumit N Shah (DIN: 00036387) and Mr. Shishir Lall (DIN: 00078316), respectively as Additional Directors on the Board. Each of these individuals hold office as such till conclusion of the ensuing Annual General Meeting of the Company. Further, at its meeting held on 30th May, 2017, the Board has, pursuant to the recommendation of the Nomination and Remuneration Committee, recommended to the Members of the Company that Mr. Sumit N Shah and Mr. Shishir Lall, Additional Directors be appointed as Independent Directors on the Board for a period of five years commencing from the date of their appointment as such by the Members at the ensuing Annual General Meeting of the Company.

Mr. Atul C Choksey (DIN: 00002102) aged about 65 years and Mr. Adi J Engineer (DIN: 00016320) aged about 79 years, both being Independent Directors, ceased due to resignation due to their other commitments and age. The Board places on record its deep appreciation of the valuable contribution made by each of these Directors during their respective tenures on the Board of Directors of the Company.

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 MGT9 as on March 31, 2017 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.

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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. Further details are provided in the Corporate Governance Report which is attached as Annexure B to this Report.
5. **Board Evaluation:** Pursuant to the provisions of Companies Act, 2013 and Clause 49 of the Listing Agreement, independent directors at their meeting dated 30th May 2017, 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. The Board of Directors expressed its satisfaction with the evaluation process.
6. **Particulars Of Loans, Guarantees Or Investments Under Section 186 Of The Companies Act, 2013:** During the year, an investment of Rs.196.0 million was made in the equity of the Company's Joint Venture - M/s Finolex J-Power Systems Private Limited.
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 were 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 quarterly 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 34 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, 2017 And May 30, 2017 (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, 2017) and date of this Report (May 30, 2017).
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



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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 Policy:** 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. Brief details about the policy are provided in the Corporate Governance Report which is attached as Annexure B to this Report. Also, the policy is available at the Company's website.
13. **Prevention Of Sexual Harassment Policy:** 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. Since they have completed 10 years as Statutory Auditors of the Company, the law requires a mandatory change of Auditors. Your Directors recommend the appointment of M/s Deloitte Sells and Haskins to be the next Statutory Auditors – they, as required under the provisions of Section 139 and Section 141 of the Companies Act, 2013 read with the Companies (Accounts) Rules 2014, 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 2017-18. Necessary resolution is being placed before the Members for approval.

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. In respect of the financial year 2016-17, at the previous AGM, members had approved of the appointment of M/S Joshi Apte & Associates as Cost Auditor at a remuneration of Rs. 5.0 lacs plus GST, as applicable, and reimbursement of out of pocket expenses. Their work will commence shortly and their report would be filed with MCA on or before the due date.

The Cost Audit Report was filed for the financial year 2015-16 was filed prior to its due date in September 2016.

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SECRETARIAL AUDIT

In accordance with the provisions of Section 204 of the Companies Act, 2013, and the rules made hereunder, M/S SVD & associates, 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 H to this Report.

LISTING OF SECURITIES

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 has 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 I.

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, customers and construction organizations 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

D.K. Chhabria
Executive Chairman

Pune

Dated: 30th May 2017



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Annexure A to the Director's Report Management Discussion and Analysis

1. BUSINESS OF THE COMPANY:

The Company has thus far been operating in two main segments - Electrical Cables and Communication Cables. Over the past few years the Company has also articulated its aspirations to transform itself from being mainly a Cable Company to an Electrical Products Company. Towards this end, the Company has entered into other product categories such as Lamps, Electrical Switches and over the last one year into Fans, Switchgear and Water Heaters – these new lines currently contribute to less than 5% of the Company's turnover and are hence clubbed together and reported as "Others" in the Segment Results.

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. Currently only a small part of this production of CCC rods is sold to third party customers. The result from this operation is declared under the Copper Segment.

1.1 Main Product Lines/Segments:

The Company is the leading domestic manufacturer of electrical and communication cables with a wide product range.

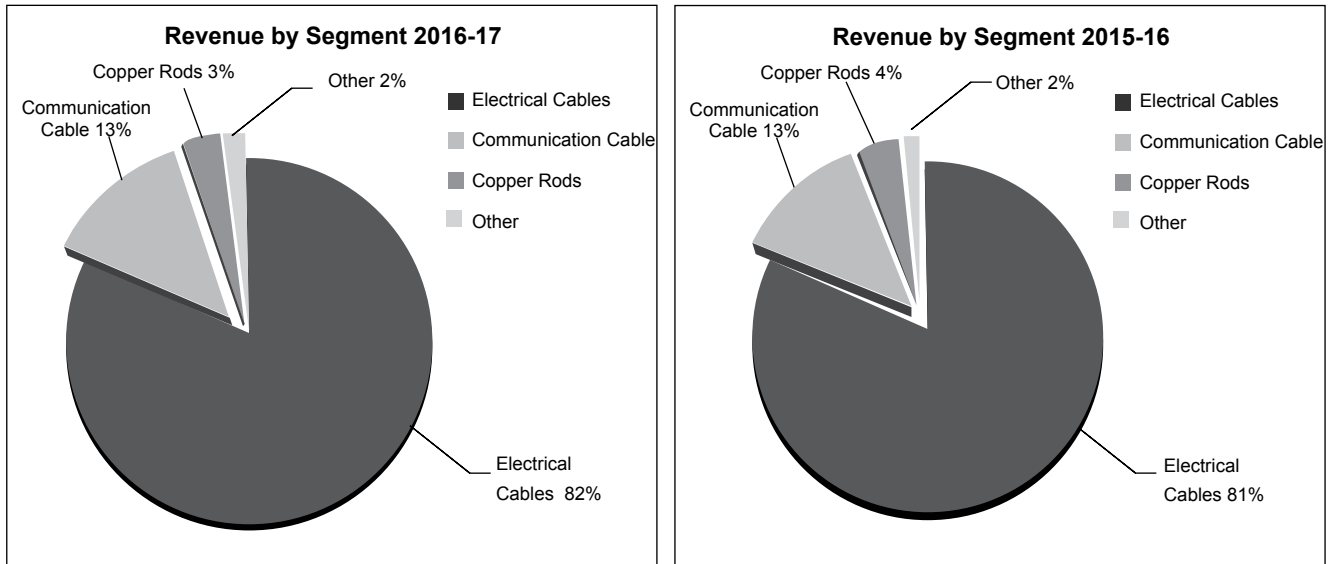
The broad segmentation of the products manufactured by the Company is as follows:

Group	Product Covered	Application	
Electrical Cables	1100 V PVC Insulated Cables	Electrification of industrial establishments, used by construction industry, 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	
	Solar Cables	Specially insulated cables for use in solar parks	
	Communication Cables	Jelly filled telephone cables (JFTCs)	Telephone line connections to exchanges and Users
		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	Raw material for manufacture of copper based Cables.
Electrical Switches	Premium & classic switches, sockets, regulators, etc	For power supply to equipment in domestic, commercial & industrial environment.	
	Retrofit & non-retrofit CFL lamps as well as T5 Tube Lights and Fittings	Domestic lighting, hotels, shops, offices & factories (both indoor and outdoor applications). Also available for street light applications.	
Lamps	LED based lighting solutions		
	Electrical Fans	Ceiling Fans, Portable Fans, Exhaust Fans	For use in domestic, commercial and industrial environment.
Switchgear	Miniature Circuit Breakers (MCB), Residual Current Circuit Breakers (RCCB), Moulded Current Circuit Breakers (MCCB) and Distribution Boxes	For use in voltage surge protection and safety applications in domestic and commercial environment.	
	Water Heaters	Instant and Storage Water Heaters	For use in domestic and commercial environment.

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 their daily life.

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1.2 Revenue Break up (including Excise Duty) :



2. REVIEW OF OPERATIONS:

- **Production:**

- Electrical Cables at 59,812 MT as compared to 55,678 MT in the previous year.
- Metal based communication Cables at 7,643 MT as compared to 6,716 MT in the previous year.
- Optical Fibre Cables at 1,159,898 FKM as compared to 1,179,806 FKM in the previous year.

- **Sales:**

- Electrical Cables (including Excise Duty) at Rs. 21,778 million as compared to Rs 20,940.3 million in the previous year.
- Communication cables (including Excise Duty) at Rs. 3,685.1 million as compared to Rs. 3,454.8 million in the previous year.
- Copper Rods (including Excise Duty) at Rs 830.4 million as compared to Rs. 965.2 million in the previous year.
- Other products at Rs.413.9 million as compared to Rs.386.8 million in the previous year.
- Exports were lower at Rs. 316.1 million as against Rs. 416.5 million of the earlier year.
- The income from operations (including excise duty) was Rs. 26,707.5 million for the year under review as compared to Rs. 25,747.3 million for the earlier year.
- As mentioned elsewhere in the Annual Report, the financials for the year have been prepared under the IND AS standards. Consequently, the previous year's financials have been restated under the IND AS standards as well.
- It is estimated that the JV Finolex J - Power Systems Private Limited will still require time to stabilise and become profitable and will continue to need financial support in the form of equity infusion. 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, which erosion has been provided for in the books of the Company.
- The Joint Venture with Corning SAS, Corning Finolex Optical Fibre Pvt. Ltd. crossed a turnover of over Rs. 2,015.9 million in the year 2016-17 as against Rs 1,772.5 million in the previous year and has reached a break-even position. 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.



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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 a wide 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 competitors while providing a cost advantage as well.
- 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.
- Diversified into newer product segments that are complementary to the electrical cable market i.e. Lamps, Switches and recently into Switchgear, Fans and Water Heaters – this move will over a period of time bring in additional market coverage as well as de-risk the Company from being over dependent on one product line.

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.

5.0 BUSINESS ENVIRONMENT:

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

5.1 Electrical Cables:

Performance:

For the year under review, this segment registered sales (including excise duty) of Rs. 21,778.0 million against Rs. 20,940.3 million of the previous year. It accounted for 82% of total sales for the year under review. Volume growth during the year was 5% spread across product lines – while Electrical Wires grew 8%, Flexible Wires by 22%, growth in other products was more moderate. For most of the year commodity prices were subdued and hence value growth in revenue did not keep pace with the volume growth. Margins, however, were strong with EBITA at 19.4% for the year as against 16.2% in the earlier year.

Outlook:

Electrical cables is one of the main focus areas of business for the Company. Both in the near and in the long term the outlook is positive – construction sector appears positive especially given the governments drive towards Housing For All by 2022, the recent passage of the Real Estate Regulatory Bill as well expectations around GST; agricultural applications also appear positive and poised to continue on the growth shown in the previous years given the increased budgetary allocations by the government in its most recent budget proposals; the focus that programs such as UDAY have brought to the power and infrastructure sectors should also give a boost to demand for the Company's products in the near and long term. Overall, 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.

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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 to 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:

Performance:

The communication cables segment (including optic fibre) recorded sales of Rs.4,153.8 million for the year under review against Rs 3,875.8 million in the earlier year. There was a significant improvement in both volumes and value of products sold during the year – all product lines under this segment delivered substantial volume growth. Consequently plant utilisations across all product lines improved during the year. However, there was continued price pressure, especially on government business leading to a lower EBITA level. EBITA levels for the year to 8% in this segment as compared to 10.3% in the previous year.

Outlook:

There has been a significant increase in the various programs started by the government in terms of providing citizen related services via the internet – consequently the need for a connected India. These programs as well as efforts by telecom service providers to improve connectivity all augur well for the Company's businesses in this segment. 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 .5,135.0 million (previous year Rs.5,419.9 million) of which Rs. 830.4 million were sales to third parties (previous year Rs. 965.2 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 has been thus far used mainly for in-house consumption. However, the introduction of GST in the coming year could change this perception and it would become possible for the Company to increase its sales of copper rods to third parties as well since VAT/CST would no longer be a barrier. Also as the overall demand for cables picks up, the ability of the Company to better utilise the capacity at the rod plant would improve.



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5.4 Electrical Switches and Lighting Products:

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 lighting products are sold through the existing well-spread distribution network of cables. During the year the product range of both Lamps and Switches have been increased while at the same time a lot of work has gone into expanding distribution reach and having a more streamlined team at the market level.

Products have been well accepted by the market.

5.5 Fans, Switchgear and Water Heaters:

As a further step in the transformation of the Company from a Cable Maker to and Electrical Products Company, during the year the Company ventured into Fans, Switchgear and Water Heaters. Extensive research into the market habits, potential to grow and consumption patterns was undertaken prior to the decision to enter these product lines. While there were some delays in getting the Switchgear project off the ground (primarily due to the length of time involved in obtaining product certifications), Fans and Water Heaters were quickly introduced into the market. Substantial care and detailing has gone into the design and production of these products to ensure that the usual Finolex mark of superior quality is adhered to. Within the first few months of launch, more than 600 distributors have started to carry these products in their shelves, further attesting to our belief that a quality product from a quality supplier will attract sustainable demand over a period of time. An extensive network of service centres has been established to handle these products to ensure maximum customer satisfaction.

All new products together have accounted for a turnover of Rs.413.9 million in the current year. It is expected that these products will show a much higher growth in the near term and will propel the Company to greater heights.

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. FINANCIAL REVIEW:

(Rs. In Million)

	2016-17	2015-16
INCOME		
Revenue From Operations (Net)	26,707.5	25,747.3
Other Income	1,002.1	644.4
Total	27,709.6	26,391.7
EXPENDITURE		
Material Costs	19,527.7	19,353.9
Employee Benefit Expense	1,191.9	1,072.2
Finance Costs	42.9	89.5
Depreciation, Amortization and Impairment	480.3	579.9
Other Expenses	2,273.6	1,932.3
Total	23,516.4	23,027.8
Profit Before Exceptional and Extraordinary Items	4,193.2	3,363.9
Exceptional Items - Income / (Expenses)	-	-
Profit Before Tax	4,193.2	3,363.9
Tax Expense:		
Current Tax	1,159.1	1,033.6
Deferred Tax	(40.6)	(70.6)
Taxes of earlier year	(84.1)	(87.7)
Profit After Tax	3,158.8	2,488.60
Other comprehensive Income net of tax (Loss) /Gain	37.7	(75.8)
Total comprehensive Income for the period	3,196.5	2,412.8
Basic Earnings per Share	20.7	16.3

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Revenues:

In terms of revenue, the year under review saw a marginal growth over the previous year; however, as explained elsewhere in the report, this was mainly due to subdued commodity prices for much of the year. On volume terms, growth was over 7%.

Costs:

- **Material Cost:** The lower commodity costs during the year, led to price reductions; however, your Company was able to retain a premium due to its superior range and quality.
- **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 retrial contribution.
- **Other Expenses:** Higher spends on advertisements and new product introduction related costs resulted in an increase.
- **Depreciation:** for the year was lower since the impact of additional costs absorbed in 2014-15 consequent to changes brought in by Companies Act 2013 were now normalised.
- **Finance Cost:** decreased in proportion to reduction of borrowings.

The shareholders' funds as at March 31,2017 stood at Rs 18,774.4 million which is an increase of Rs 2,818.5 million over the fund balance as at March 31, 2016.

Summary of Statement of Balance Sheet is given below:

(Rs. In Million)

	2016-17	2015-16
SOURCES OF FUND		
Shareholder's Fund	18,774.4	15,955.9
Non-Current Liabilities	254.7	554.2
Current Liabilities	2,631.1	2,673.4
Total	21,660.2	19,183.5
APPLICATION OF FUNDS		
Fixed Assets	4,230.2	4,353.3
Investments	3,020.2	2,938.5
Loans & other Non-Current Assets	71.8	65.7
Current Assets	14,338.0	11,826.0
Total	21,660.2	19,183.5

- **Capital Expenditure and Investments:** During the year, Your Company incurred Rs.356.3 million towards capital expenditure, predominantly towards sustenance of existing capacity and product development activities. Your Company has invested in Joint Venture Rs.196.0 million.
- **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 2016-17, 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+/stable	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 Rs2,586.6 million from its operations as compared to Rs 2,756.3 million generated last year. In addition your Company repaid a long term loan to the tune of Rs 500 million during the year. Profit before tax and exceptional items stood at Rs 4,193.2 million as against Rs 3,363.9 million in last year.

Taxation: After reckoning a current and deferred tax liability of Rs 1,034.4 million, Profit after tax for the current year stood Rs 3,158.8 million which is substantially higher than the previous year's Rs 2,488.6 million.



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• Cash flow statement

(Rs. In Million)

	2016-17	2015-16
Profit from operations before tax	4,193.2	3,363.9
(Inc)/Dec in Net working capital	(1,606.6)	(607.6)
Net cash flow from operating activities	2,586.6	2,756.3
Payment for acquisition of assets-net	-	-
Cash outflow for investing activities	(2,008.4)	(1,274.7)
Proceed from long term assets & investment	-	-
Cash outflow for Financing activities	(756.7)	(675.7)
Net cash Inflow / (Outflow)	(178.5)	806.0

7. RISK MANAGEMENT:

The Company has a Risk Management Process in place that defines the policies, lays out the strategies and methodology to decide on the risk taking ability of the organization. During the year, extensive work was done in consultation with an external advisor with whose help a complete inventory of risks facing the Company was drawn up, categorised based on estimates of severity, counter measures were drawn up and responsibility assigned to individual Risk Owners within the Company to monitor the extent of risks faced on a continual basis.

The Company has in place a Risk Management Committee which reviewed and approved of the above.

8. INTERNAL CONTROL SYSTEM:

Commensurate to the size and nature of 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
- Safeguard of assets and their proper usage

Besides its internal team, which monitors the above, the Company has also engaged an external team to look into aspects of internal control, including the design and maintainability of systems. 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 management regularly and corrective actions monitored. 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 7 times during the year under review.

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 Corporate Governance provisions as specified in Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Out of Ten Directors, there is one promoter executive Director namely Mr. D. K. Chhabria, Executive Chairman, one non-promoter executive Director namely Mr. Mahesh Viswanathan presently designated as "Executive Director and Chief Financial Officer", Six Independent Directors and two non-promoter non-executive Director namely Mrs. Namita V Thapar, Woman Director and Mr. Sumit N Shah, Additional Director.
- The majority of Directors on the Board are independent directors, namely: Dr. H. S. Vachha, 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 individually nor collectively 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 26th May, 2016, 9th August, 2016, 10th November, 2016 and 14th February 2017.

Attendance at meetings of the Board in financial year 2016-17 and last Annual General Meeting (AGM) and details of membership of Directors in other companies' Boards and their committees, is set out below:



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Names of Directors	No. of Board meetings attended during the year 2016-17	Whether attended last AGM held on 8th September 2016	No. of Directorship(s) as on 31.03.2017		No. of Membership(s) / Chairmanship(s) of Board Committees as on 31.03.2017	
			Public Companies	Private Companies	as Member	as Chairman
Mr. D K Chhabria	4	Yes	Nil	4	Nil	Nil
Dr. H S Vachha	3	Yes	8	1	5	4
Mr. Atul C Choksey*	0	No	-	-	-	-
Mr. Sanjay K Asher	2	Yes	9	9	3	5
Mr. P G Pawar	3	Yes	5	9	2	2
Mr. S B (Ravi) Pandit	1	No	3	3	2	0
Mr. Pradeep R Rathi	4	Yes	8	4	3	1
Mr. Adi J Engineer*	4	No	2	Nil	2	Nil
Mr. Mahesh Viswanathan	4	Yes	Nil	2	Nil	Nil
Mrs. Namita V Thapar	3	No	2	3	Nil	Nil
Mr. Sumit N Shah#	0	N.A.	2	2	Nil	Nil

* Mr. Atul C Choksey ceased on 4th November, 2016 and Mr. Adi J Engineer ceased on 30th May, 2017 due to their resignations.

Mr. Sumit N Shah appointed as an Additional Director on Board w.e.f., 14th February, 2017.

In accordance with the provisions of Regulation 26 (1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, memberships/chairmanships of only the Audit Committee and Share Transfer/ Stakeholders Relationship Committees of all public limited companies whether listed or not have been considered

2.3 Remuneration to Executive Directors:

(Rs. In Million)

Particulars	Mr. D K Chhabria Executive Chairman	Mr. Mahesh Viswanathan Executive Director & CFO
Salary and Allowances	7,500,000	8,131,200
Contribution to Provident and Superannuation Funds	2,025,000	1,572,960
Other Perquisites	7,499,854	3,087,795
*Commission/**Incentive – payable	85,000,000	11,000,000
Total	102,024,854	23,791,955

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 2016-17 is set out below:

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Name of Non-Executive Director	Advisory Fees	Sitting Fees (Rs.)	Commission Payable (Rs.)	Total (Rs.)	Shareholding (in Nos. of shares) of Non- Executive Directors in the Company	Remarks
Dr. H.S. Vachha		205,000	1200,000	1,405,000	-	
Mr. P P Chhabria*	2,500,000	-	-	2,500,000		
Mr. Atul C. Choksey**		0	600,000	600,000	-	
Mr. Sanjay K. Asher		210,000	600,000	810,000	12,395	Joint holder
Mr. P. G. Pawar		315,000	1,000,000	1,315,000	-	
Mr. S.B. (Ravi) Pandit		30,000	600,000	630,000	-	
Mr. P.R. Rathi		370,000	600,000	970,000	-	
Mr. A.J. Engineer		120,000	600,000	720,000	-	
Ms. Namita V Thapar		90,000	600,000	690,000	-	
Mr. Sumit N Shah***		-	-	-	-	
Total	2,500,000	1,340,000	5,800,000	9,640,000		

* Mr. P P Chhabria ceased due to sad demise on 5th May, 2016.

** Mr. Atul C Choksey ceased from the Board of Director w.e.f., 4th November, 2016 due to resignation.

*** Mr. Sumit N Shah was appointed as an Additional Director on Board w.e.f., 14th February, 2017

- a) Sitting fees paid to each non-executive Director was uniform for attending each Board Meeting @Rs.30,000/-, Audit Committee Meetings @Rs.20,000/- and for all other Committee meetings @Rs.15,000/-. The sitting fees was approved by the Board of Directors at its meeting held on 3rd November, 2015.
- 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, whichever 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 executive Directors. Having regard to the time and attention devoted by the non executive Directors to the affairs of the Company and in view of the responsibilities cast on the Directors under the Companies Act, 2013 and Rules made there under it has been proposed to enhance the aforesaid monetary ceiling of Rupees Fifty lakhs to Rupees One Crore as provided under item No.11 of the Notice of ensuing Annual General Meeting and the said proposal is subject to approval of the members. 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.

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 removal / cessation of office by Chief Financial Officer and Company Secretary.
- f) Show cause, demand and prosecution notices and penalty 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 judgment 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.



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- j) Details of any joint venture or collaboration agreement.
- k) Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- l) Significant labour problems and their proposed solutions. Any significant development in Human Resources / Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme, etc.
- m) Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business.
- n) Quarterly details on foreign exchange exposure and the steps taken by the Management to limit the risks of adverse exchange rate movement, if material.
- o) Status on compliance with all regulatory, statutory or listing requirements 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. Rath (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.

A. The role of the audit committee shall include the following:

- 1) oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 2) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- 3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (b) changes, if any, in accounting policies and practices and reasons for the same;
 - (c) major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) significant adjustments made in the financial statements arising out of audit findings;
 - (e) compliance with listing and other legal requirements relating to financial statements;
 - (f) disclosure of any related party transactions;
 - (g) modified opinion(s) in the draft audit report;
- 5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- 7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

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- 8) approval or any subsequent modification of transactions of the listed entity with related parties;
 - 9) scrutiny of inter-corporate loans and investments;
 - 10) valuation of undertakings or assets of the listed entity, wherever it is necessary;
 - 11) evaluation of internal financial controls and risk management systems;
 - 12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - 13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - 14) discussion with internal auditors of any significant findings and follow up there on;
 - 15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 - 16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - 17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - 18) to review the functioning of the whistle blower mechanism;
 - 19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
 - 20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.
 - 21) The Audit Committee oversees and reviews the Reports as may be submitted from time to time by the Compliance Officer under the provisions of SEBI (Prohibition of Insider Trading) Regulation, 2015
- B. The audit committee shall mandatorily review the following information:
- (1) management discussion and analysis of financial condition and results of operations;
 - (2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - (3) management letters / letters of internal control weaknesses issued by the statutory auditors;
 - (4) internal audit reports relating to internal control weaknesses;
 - (5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
 - (6) statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Meetings and Attendance:

The Audit Committee has met seven times during the financial year ending 31st March 2017, as against the minimum requirement of four meetings i.e. on 26th May, 2016, 9th August, 2016, 7th September, 2016, 6th October, 2016, 10th November, 2016, 14th February, 2017 and 31st March 2017. The necessary quorum was present for each of the meetings of the Committee. The following table sets out the attendance of Audit Committee members:



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Sr. No.	Name of the Director	Status	Category	No. of meetings attended
1	Dr. H S Vachha	Chairman	Independent	5 out of 7
2	Mr. Sanjay K Asher	Member	Independent	3 out of 7
3	Mr. P R Rathi	Member	Independent	5 out of 7
4	Mr. P G Pawar	Member	Independent	6 out of 7

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 all seven meetings of the Audit Committee held in financial year ending 31st March, 2017. The Cost Auditors generally attend the meetings when matters concerning Cost Audit are dealt with by the Audit Committee and they attended two meetings of the Audit Committee in financial year ending 31st March, 2017.

The date of the meeting of the Committee held for considering finalization of accounts for the year ending 31st March, 2017 was 30th May, 2017.

The due date for filing of Cost Audit Report for the financial year ending 31st March, 2016 in XBRL format was 30th September, 2016 and the Company has filed the same within the prescribed date.

4. NOMINATION AND REMUNERATION COMMITTEE:

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. 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
 - 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.

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Meetings and Attendance:

The Committee has met on 26th May 2016 and 14th February 2017 during the financial year ended 31st March 2017. Each of the Committee members attended both the meetings of the Committee.

5. SHARE TRANSFER-CUM-STAKEHOLDERS RELATIONSHIP COMMITTEE:

Constitution and Composition:

The Share Transfer-cum-Stakeholders Relationship Committee presently comprises of two executive Directors [namely: Mr. D.K. Chhabria and Mr. Mahesh Viswanathan] 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 security holders 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 security holders 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 / investors and there were six meetings held during the year. The following table sets out the attendance of Share Transfer-cum-Stakeholders Relationship Committee members:

Sr. No.	Name of the Director	Status	Category	No. of meetings attended
1	Mr. P G Pawar	Chairman	Independent	5 out of 6
2	Mr. Sanjay K Asher	Member	Independent	4 out of 6
3	Mr. P R Rathi	Member	Independent	5 out of 6
4	Mr. D K Chhabria	Member	Non-Independent	5 out of 6
5	Mr. Mahesh Viswanathan	Member	Non-Independent	5 out of 6

Six Complaints were received from investors during the year which was duly replied by the Company. No complaint was outstanding as on 31st March 2017.

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

Constitution and Composition:

The Corporate Social Responsibility Committee (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, Members. 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.



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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.
- 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 thrice in the financial year i.e. on 26th May, 2016, 14th February 2017 and 31st March, 2017. Each of the Committee Members attended all the meetings.

7. RISK MANAGEMENT COMMITTEE:

Constitution and Composition:

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 and Mr. Mahesh Viswanathan, Executive Director and Chief Financial Officer as Members. The constitution of the Committee meets the requirements of the Companies Act, 2013 and of Regulation 21 of SEBI ((Listing Obligations and Disclosure Requirements) Regulations, 2015.

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;

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- 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, 2017 on 9th August, 2016 and Chairman and all the members of the Committee attended the said meeting except Mr. Sanjay K Asher.

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.

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 ongoing process and these aspects are periodically examined by the Committee / 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
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
2014-15	Auto Cluster Development and Research Institute, H Block, Plot C-181, Near D' Mart, Chinchwad, Pune - 411 019	10th August, 2015	11.30 a.m.	Yes
2015-16	Auto Cluster Development and Research Institute, H Block, Plot C-181, Near D' Mart, Chinchwad, Pune - 411 019	8th September, 2016	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 calendar year, the independent directors met on 10 February, 2016, 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. Atul C Choksey, and Mr. P R Rathi who had expressed their inability to attend the said meeting.



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10. DISCLOSURES:

- a) Disclosures regarding materially significant related party transactions:
For details please refer Note No. 34(d) 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 requirements of corporate governance under SEBI ((Listing Obligations and Disclosure Requirements) Regulations, 2015 which came into effect from 1st December, 2015.
- e) 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>). The same are also available on the websites of National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) pursuant to the filing made by the Company on the said stock exchanges. 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 in the Directors' Report and Management Discussion and Analysis section, 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 and BSE Limited (Bombay Stock Exchange Limited) – Listing Centre 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.
- 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 a dedicated 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' 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. In accordance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board members and senior management personnel have affirmed compliance with the Code of Conduct of the Company in the year under review.

Declaration:

The Board members and senior management personnel have affirmed compliance with the Code of Conduct of the Company in the year under report.

Place: Pune
Date : 30th May, 2017

Sd/-
D. K. Chhabria
Executive Chairman

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Annexure C to Directors' Report

Independent Auditor's Certificate on Compliance with conditions of 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 31st March 2017, as Regulation 17-27, clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') (as modified and in force from time to time).

Management Responsibility

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 Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Auditor's Responsibility

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016), issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

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 Regulations, during the year ended March 31, 2017.

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

Restriction on Use

This certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

For B. K. Khare & Co.
Chartered Accountants
Registration No. 105102W

Place: Pune
Date : 30th May, 2017

Ravi Kapoor
Partner
Membership No: 040404



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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, 2017

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

I. REGISTRATION & OTHER DETAILS:

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 & contact details	26-27, Mumbai - Pune Road, Pimpri, Pune - 411 018 Tel No. (020) 27475963 Facsimile : (020) 27470344, E-Mail : sales@finolex.com / Investors@finolex.com
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032, India Tel No. (040) 6716 2222 Facsimile : (040) 2342 0814 E-Mail : einward.ris@karvy.com

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 & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company (ie. Gross turnover)
1	Electrical Cables	3610	81%
2	Communication Cables	3610	14%
3	Copper Rods	3493	3%

III. PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & 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	L40108PN198PLC024153	Associate	32.39%	S-2(6)
2	Finolex J-Power Systems Pvt. Ltd. 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 of Shareholders

CATEGORY OF SHAREHOLDER	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR (As on 31-03-2016)				NO. OF SHARES HELD AT THE END OF THE YEAR (As on 31-03-2017)				% CHANGE DURING THE YEAR
	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
A. Promoters									
(1) Indian									
a) Individual /HUF	78,75,000	0	78,75,000	5.15	78,75,000	0	78,75,000	5.15	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s).	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	4,69,66,170	0	4,69,66,170	30.71	4,69,66,170	0	4,69,66,170	30.71	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other...	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A) (1) :-	5,48,41,170	0	5,48,41,170	35.86	5,48,41,170	0	5,48,41,170	35.86	0.00
(2) Foreign									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other...	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A) (2) :-	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	5,48,41,170	0	5,48,41,170	35.86	5,48,41,170	0	5,48,41,170	35.86	0.00
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	2,53,32,621	12,450	2,53,45,071	16.57	2,80,30,035	12,450	2,80,42,485	18.34	-1.76
b) Banks / FI	6,49,513	11,500	6,61,013	0.43	26,500	11,500	38,000	0.02	0.41
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	31,36,181	0	31,36,181	2.05	10,45,182	0	10,45,182	0.68	1.37
g) FIs / FPIs	73,94,473	16,850	74,11,323	4.85	94,36,910	16,850	94,53,760	6.18	-1.34
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B) (1) :-	3,65,12,788	40,800	3,65,53,588	24	3,85,38,627	40,800	3,85,79,427	25.23	-1.32
(2) Non-Institutions									
a) Bodies Corporate	2,48,59,073	22,355	2,48,81,428	16.27	2,48,28,016	4,06,897	2,52,34,913	16.50	-0.23
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
(i) Individuals holding nominal share capital upto Rs.1 lakh	1,72,56,260	20,07,039	1,92,63,299	12.60	1,47,91,110	19,23,569	1,67,14,679	10.93	1.67
(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	1,03,59,381	3,84,542	1,07,43,923	7.02	1,06,98,369	0	1,06,98,369	7.00	0.03
c) Others (Specify)									



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1) Non Resident Indians	6,10,787	23,600	6,34,387	0.41	8,35,637	23,600	8,59,237	0.56	-0.15
Sub-Total (B) (2) :-	5,30,85,501	24,37,536	5,55,23,037	36.30	5,11,53,132	23,54,066	5,35,07,198	34.99	1.32
Total Public Shareholding (B) = (B)(1)+ (B)(2)	8,95,98,289	24,78,336	9,20,76,625	60.20	8,96,91,759	23,94,866	9,20,86,625	60.21	-0.01
C . Shares held by custodians for GDRs & ADRs	60,21,550	0	60,21,550	3.94	60,11,550	0	60,11,550	3.93	0.01
GRAND TOTAL (A+B+C) :	15,04,61,009	24,78,336	15,29,39,345	100	15,05,44,479	23,94,866	15,29,39,345	100	0.00

(ii) SHARE HOLDING OF PROMOTERS

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2016)			Shareholding at the end of the year (As on 31.03.2017)			% Change in shareholding during the year
		No. of Shares	% of Total shares of the Company	% of shares Pledged/ emcumbered to Total shares	No. of Shares	% of Total shares of the Company	% of shares Pledged/ emcumbered to Total shares	
1	PRALAHAD PARSRAM CHHABRIA	100	0.00	-	100	0.00	-	0.00
2	SUNITA KISHAN CHHABRIA	11,63,400	0.76	-	11,63,400	0.76	-	0.00
3	ARUNA KATARIA	28,12,850	1.84	-	28,12,850	1.84	-	0.00
4	KISHAN PARSRAM CHHABRIA	9,50,750	0.62	-	9,50,750	0.62	-	0.00
5	DEEPAK KISHAN CHHABRIA	9,36,750	0.61	-	9,36,750	0.61	-	0.00
6	PRAKASH PRALHAD CHHABRIA	8,31,850	0.54	-	8,31,850	0.54	-	0.00
7	VIJAY KISHAN CHHABRIA	5,39,250	0.35	-	5,39,250	0.35	-	0.00
8	HANSIKA HIYA PRAKASH CHHABRIA	1,05,000	0.07	-	1,05,000	0.07	-	0.00
9	GAYATRI PRAKASH CHHABRIA	1,05,000	0.07	-	1,05,000	0.07	-	0.00
10	RITU PRAKASH CHHABRIA	95,000	0.06	-	95,000	0.06	-	0.00
11	AMIT KATARA	87,400	0.06	-	87,400	0.06	-	0.00
12	AMRITA KATARA	85,400	0.06	-	85,400	0.06	-	0.00
13	VINI DEEPAK CHHABRIA	33,750	0.02	-	33,750	0.02	-	0.00
14	KATARA MUKHESH DOLUMAL	31,000	0.02	-	31,000	0.02	-	0.00
15	RADHIKA DEEPAK CHHABRIA	30,000	0.02	-	30,000	0.02	-	0.00
16	KARAN VIJAY CHHABRIA	22,500	0.01	-	22,500	0.01	-	0.00
17	PRIYA VIJAY CHHABRIA	22,500	0.01	-	22,500	0.01	-	0.00
18	RISHI VIJAY CHHABRIA	22,500	0.01	-	22,500	0.01	-	0.00
19	ORBIT ELECTRICALS PRIVATE LIMITED	4,69,56,120	30.70	-	4,69,56,120	30.70	-	0.00
20	KATARA DENTAL PVT LTD	10,050	0.01	-	10,050	0.01	-	0.00
	Total	5,48,41,170	35.86	-	5,48,41,170	35.86	-	0.00

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

Sr. No.	Name of Promoters	Share holding at the beginning of the Year (As on 01-04-2016)		Cumulative Share holding during the year (01-04-2016 to 31-03-2017)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	5,48,41,170	35.86%	5,48,41,170	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)	No change in promoters' shareholding during the year			
	At the end of the year	5,48,41,170	35.86%	5,48,41,170	35.86%

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

Sr. No	Name of Shareholders	Shareholding		Date	Increase / Decrease in share-holding	Reason	Cumulative Shareholding during the year (01-04-2016 to 31-03-2017)	
		No.of shares at the beginning (01-04-2016 / end of the year (31-03-2017)	% of total shares of the company				No. of shares	% of total shares of the company
1	FINOLEX INDUSTRIES LIMITED	2,21,87,075	14.51%	01-Apr-2016	Nil	No change	0	0.00%
				31-Mar-2017			2,21,87,075	14.51%
2	FRANKLIN TEMPLETON MUTUAL FUND A/C FRANKLIN INDIA	4272831	2.79	01-Apr-2016				
				30-Jun-2016	-400000	Transfer	3872831	2.53
				08-Jul-2016	-42208	Transfer	3830623	2.50
				15-Jul-2016	-7792	Transfer	3822831	2.50
				16-Sep-2016	1631	Transfer	3824462	2.50
				25-Nov-2016	5590	Transfer	3830052	2.50
				27-Jan-2017	150000	Transfer	3980052	2.60
				17-Mar-2017	50000	Transfer	4030052	2.64
31-Mar-2017			4030052	2.64				
3	FRANKLIN INDIA SMALLER COMPANIES FUND	3925585	2.57	01-Apr-2016				
				30-Jun-2016	-56119	Transfer	3869466	2.53
				12-Aug-2016	1502	Transfer	3870968	2.53
				11-Nov-2016	7000	Transfer	3877968	2.54
				18-Nov-2016	25000	Transfer	3902968	2.55
				25-Nov-2016	105589	Transfer	4008557	2.62
				09-Dec-2016	3100	Transfer	4011657	2.62
				30-Dec-2016	521	Transfer	4012178	2.62
				20-Jan-2017	24479	Transfer	4036657	2.64
				17-Mar-2017	50000	Transfer	4086657	2.67
31-Mar-2017			4086657	2.67				



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4	ANIL RAMCHAND CHHABRIA	3831270	2.51	01-Apr-2016				
				30-Jun-2016	-5000	Transfer	3826270	2.50
				26-Aug-2016	5000	Transfer	3831270	2.51
				07-Oct-2016	-5000	Transfer	3826270	2.50
				30-Dec-2016	5000	Transfer	3831270	2.51
				31-Mar-2017			3831270	2.51
5	DSP BLACKROCK MICRO CAP FUND	2457695	1.61	01-Apr-2016				
				11-Nov-2016	8174	Transfer	2465869	1.61
				02-Dec-2016	195000	Transfer	2660869	1.74
				31-Mar-2017			2660869	1.74
6	LIFE INSURANCE CORPORATION OF INDIA	1545182	1.01	01-Apr-2016				
				30-Jun-2016	-500000	Transfer	1045182	0.68
				31-Mar-2017			1045182	0.68
7	DSP BLACKROCK SMALL AND MID CAP FUND	123833	0.08	01-Apr-2016				
				30-Jun-2016	591593	Transfer	715426	0.47
				09-Dec-2016	13986	Transfer	729412	0.48
				20-Jan-2017	700000	Transfer	1429412	0.93
				31-Mar-2017	26107	Transfer	1455519	0.95
				31-Mar-2017			1455519	0.95
8	RAMESH BHAGWANDAS CHHABRIA	1434388	0.94	01-Apr-2016				
				19-Aug-2016	-32749	Transfer	1401639	0.92
				26-Aug-2016	-38732	Transfer	1362907	0.89
				02-Sep-2016	-22631	Transfer	1340276	0.88
				09-Sep-2016	-285000	Transfer	1055276	0.69
				11-Nov-2016	-550	Transfer	1054726	0.69
				16-Dec-2016	-1050	Transfer	1053676	0.69
				23-Dec-2016	-700	Transfer	1052976	0.69
				30-Dec-2016	-1611	Transfer	1051365	0.69
				06-Jan-2017	-1500	Transfer	1049865	0.69
				13-Jan-2017	-1500	Transfer	1048365	0.69
				03-Feb-2017	-5500	Transfer	1042865	0.68
				10-Feb-2017	-4000	Transfer	1038865	0.68
				03-Mar-2017	-1000	Transfer	1037865	0.68
				10-Mar-2017	-1000	Transfer	1036865	0.68
17-Mar-2017	-3500	Transfer	1033365	0.68				
31-Mar-2017	-3500	Transfer	1029865	0.67				
31-Mar-2017			1029865	0.67				
9	RELIANCE CAPITAL TRUSTEE CO. LTD. A/C RELIANCE DIV	1190873	0.78	01-Apr-2016			1190873	0.78
				30-Jun-2016	-200000	Transfer	990873	0.65
				17-Mar-2017	-100000	Transfer	890873	0.58
				31-Mar-2017	-40000	Transfer	850873	0.56
				31-Mar-2017			850873	0.56
10	SBI MAGNUM GLOBAL FUND	0	0.00	01-Apr-2016			0	0.00
				24-Feb-2017	975867	Transfer	975867	0.64
				17-Mar-2017	60462	Transfer	1036329	0.68
				31-Mar-2017	140407	Transfer	1176736	0.77
				31-Mar-2017			1176736	0.77

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11	DSP BLACKROCK 3 YEARS CLOSE EQUITY FUND	1154862	0.76	01-Apr-2016	Nil	No change	1154862	0.76
				31-Mar-2017			1154862	0.76
12	ARMOR QUALIFIED, LP ENDED	1142874	0.75	01-Apr-2016			1142874	0.75
				30-Jun-2016	-53825	Transfer	1089049	0.71
				08-Jul-2016	90610	Transfer	1179659	0.77
				22-Jul-2016	-6123	Transfer	1173536	0.77
				29-Jul-2016	-20461	Transfer	1153075	0.75
				05-Aug-2016	-21781	Transfer	1131294	0.74
				12-Aug-2016	-108968	Transfer	1022326	0.67
				19-Aug-2016	-19156	Transfer	1003170	0.66
				26-Aug-2016	-44644	Transfer	958526	0.63
				02-Sep-2016	-67801	Transfer	890725	0.58
				23-Sep-2016	-906	Transfer	889819	0.58
				30-Sep-2016	-8710	Transfer	881109	0.58
				07-Oct-2016	-2261	Transfer	878848	0.57
				03-Feb-2017	-23690	Transfer	855158	0.56
				10-Feb-2017	-25560	Transfer	829598	0.54
				17-Feb-2017	-829598	Transfer	0	0.00
31-Mar-2017			0	0.00				

(v) Shareholding of Directors & Key Managerial Personnel:

Sr. No.	Name of the Director / KMP	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-16 to 31-03-17)	
		No. of Shares at the beginning (01-04-2016) / end of the year (31-03-2017)	% of total shares of the Company				No. of Shares	% of total shares of the Company
A	DIRECTORS:							
1	Mr. D K Chhabria Executive Chairman	9,36,750	0.61%	01-Apr-2016	0	Nil movement during the year	9,36,750	0.61%
		9,36,750	0.61%	31-Mar-2017				
2	Mr. H S Vachha Independent Non-Executive Director	0	0.00%	01-Apr-2016	0	Nil movement during the year	0	0.00%
		0	0.00%	31-Mar-2017				
3	Mr. Atul C Choksey Independent Non-Executive Director	0	0.00%	01-Apr-2016	0	Nil movement during the year	0	0.00%
		0	0.00%	31-Mar-2017				
4	Mr. Sanjay K Asher Independent Non-Executive Director	12,365	0.01%	01-Apr-2016	0	Nil movement during the year	12,365	0.01%
		12,365	0.01%	31-Mar-2017				
5	Mr. P G Pawar Independent Non-Executive Director	0	0.00%	01-Apr-2016	0	Nil movement during the year	0	0.00%
		0	0.00%	31-Mar-2017				
6	Mr. S B (Ravi) Pandit Independent Non-Executive Director	0	0.00%	01-Apr-2016	0	Nil movement during the year	0	0.00%
		0	0.00%	31-Mar-2017				
7	Mr. P R Rathi Independent Non-Executive Director	0	0.00%	01-Apr-2016	0	Nil movement during the year	0	0.00%
		0	0.00%	31-Mar-2017				
8	Mr. Adi Engineer Independent Non-Executive Director	0	0.00%	01-Apr-2016	0	Nil movement during the year	0	0.00%
		0	0.00%	31-Mar-2017				



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9	Mr. Mahesh Viswanathan Executive Director & CFO	0	0.00%	01-Apr-2016	0	Nil movement during the year		
		0	0.00%	31-Mar-2017			0	0.00%
10	Ms. Namita V Thapar Non-Executive Director (Woman Director)	0	0.00%	01-Apr-2016	0	Nil movement during the year		
		0	0.00%	31-Mar-2017			0	0.00%
11	Mr. Sumit N Shah Independent Non-Executive Director	0	0.00%	01-Apr-2016	0	Nil movement during the year		
		0	0.00%	31-Mar-2017			0	0.00%

B KEY MANAGERIAL PERSONNEL (KMP):

1	Mr. R G D'Silva Company Secretary & President (Legal)	0	0.00%	01-Apr-2016	0	Nil movement during the year		
		0	0.00%	31-Mar-2017			0	0.00%

V INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	500.00	-	-	500.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	4.20	-	-	4.20
Total (i+ii+iii)	504.20	-	-	504.20
Change in Indebtedness during the financial year				
• Additions	-	-	-	-
• Reduction	504.20	-	-	504.20
Net Change		-	-	
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

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VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. In Million)

Sr.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	8.13	15.63
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	7.50	3.08	10.58
	(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 (1.93%)	85.00	-	85.00
	- others (specify) (Incentive)	-	11.00	11.00
5	Others, please specify	-	-	-
	Total (A)	100.00	22.21	122.21
	Ceiling as per the Act (10%)			438.29

B. Remuneration to other directors:

Sr.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	0.20	-	0.21	0.32	0.03	0.37	0.12	1.25
	(b) Commission	1.20	0.60	0.60	1.00	0.60	0.60	0.60	5.20
	(c) Others, please specify	-	-	-	-	-	-	-	-
	Total (1)	1.40	0.60	0.81	1.32	0.63	0.97	0.72	6.45
2	Other Non Executive Directors	Mr. P P Chhabria	Ms. Namita V Thapar	Mr. Sumit Shah					Total Amount
	(a) Fee for attending Board / committee meetings	-	0.09	-					0.09
	(b) Commission		0.60	-					0.60
	(c) Others, please specify. (Advisory Fees)	2.50	-	-					2.50
	Total (2)	2.50	0.69	-					3.19
	Total (B)=(1+2)								9.64
	Total Managerial Remuneration								131.85
	Overall Ceiling as per the Act. (11%)								482.11



Finolex

Cables Limited

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(Rs. In Million)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO *	Mr. R G D'Silva Company Secretary	CFO *	
1	Gross Salary				
a)	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.		3.26	-	-
b)	Value of perquisites u/s 17(2) of the Income Tax Act, 1961		0.01	-	-
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		3.27		

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					
Penalty					
Punishment					
Compounding					
B: DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

NIL

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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	Shri. D. K. Chhabria	366.0X
		Shri. P. P. Chhabria	9.2X
		Dr. H. S. Vachha	4.4X
		Shri. Atul C. Choksey	2.2X
		Shri. Sanjay K. Asher	2.2X
		Shri. P. G. Pawar	3.7X
		Shri. S. B. (Ravi) Pandit	2.2X
		Shri. Pradeep R. Rathi	2.2X
		Shri. Adi J. Engineer	2.2X
		Smt. Namita V Thapar	2.2X
		Shri. Mahesh Viswanathan	83.9X
		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	Shri. D. K. Chhabria	20.6%
		Shri. Mahesh Viswanathan	26.5%
		Shri. R. G. D`silva	27.7%
3	The percentage increase in the median remuneration of employees in the financial year:	During FY 2017, the percentage increase in the median remuneration of employees as compared to previous year was approximately 9.2%	
4	The number of permanent employees on the rolls of company	1748 (including wholetime directors)	
5	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 12.13% for employees other than Managerial Personnel and 4% for Managerial Personnel.	
6	The key parameters for any variable component of remuneration availed by the directors	Both, Shri. D.K.Chhabria, Executive Chairman and Shri. Mahesh Viswanathan, Executive - Director & CFO are paid variable pay as per their agreement provisions. Non-Executive Directors of the Company are paid commission as approved by shareholders in the General Meeting.	
7	Affirmation, that the remuneration is as per the remuneration policy of the Company	Yes	

General Notes:

- Profit of the Company is calculated as per Section 198 of the Companies Act, 2013
- Managerial Personnel includes Executive Chairman and wholetime Director.

For and on behalf of the Board of Directors

Pune
Dated : 30th May, 2017

D.K. Chhabria
Executive Chairman



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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.1.3 million
 - e) Date of approval by Members, if any: 8th September, 2016.
 - f) Amount paid as advances, if any: NIL

For and on behalf of the Board of Directors

Pune
Dated: 30th May'2017

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, 2017

[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, Mumbai Pune 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 referred "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 authorised 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, 2017** 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, 2017** 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 applicable;
- (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) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(not applicable to the Company during the Audit Period)**;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(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 to the extent of securities issued; **(not applicable to the Company during the Audit Period)**;
 - (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)**;
- (vi) No law is specifically applicable to the Company.



Finolex

Cables Limited

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

- (i) Secretarial Standards issued by 'The Institute of Company Secretaries of India'; and
- (ii) The Listing Agreement entered into by the Company with Stock Exchange(s) pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that

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

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

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

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

We further report that during the audit period, there are no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.,

We further report that during the audit period the Company:-

Has passed a Special Resolution at its Annual General Meeting held on 8th September, 2016:-

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;

To continue to purchase optical fibre from Corning Finolex Optical Fibre Private Limited.

The Company has inadvertently granted leave of absence to an Independent Director at its Board Meeting held on 14th February, 2017 who had resigned on 4th November, 2016.

For **SVD & Associates**
Company Secretaries

Sridhar G. Mudaliar
Partner

FCS No: 6156

C P No: 2664

Place: Pune

Date: 30th May, 2017

Note: This report is to be read with letter of even date by the Secretarial Auditors, which is annexed as Annexure A and forms an integral part of this report.

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‘Annexure A to the Secretarial Auditor’s Report Dated 30th May, 2017’

To,

The Members,
Finolex Cables Limited
26/27, Mumbai Pune Road,
Pimpri, Pune-411018

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

Management’s Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor’s Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company’s management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management’s representation about the compliance of laws, rules and regulations and happening of events, etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **SVD & Associates**
Company Secretaries

Sridhar G. Mudaliar
Partner

FCS No: 6156
C P No: 2664

Place: Pune
Date: 30th May, 2017



Annexure H to Directors' Report

COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988:

A. Conservation of Energy:

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

- (i) New high speed Multi Wire drawing machines installed with AC Motors and VFDs to ensure reduced power consumption.
- (ii) Insulation line upgraded with energy efficient AC Motors and VFDs.
- (iii) Underground cable laid from electrical substation to plant to improve power quality thereby facilitating better power quality and reduce tripping and scrap generation.
- (iv) Gas analysers of foreign make were substituted by reputed Indian brand PIDs resulting in savings in maintenance cost and better performance of the analysers.
- (v) LPG vapourisers provided with external insulation to prevent heat loss by radiation and reduce consumption of power.
- (vi) Pickling line modified to eliminate rubbing of finished rod so that the rod surface is free of scratches.
- (vii) Power factor maintained at optimum level to reduce power consumption.
- (viii) Improved preventive maintenance of machines to reduce energy loss.
- (ix) Regular monitoring and rectification of air leakage is done to reduce air consumption.
- (x) RO water plant rejected water is utilized for gardening purposes to reduce water consumption.

B. Technology Absorption:

Efforts made in technology absorption as per Form B 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) Developed Type D, 150 deg. C Auto Cables
 - (ii) Continuous efforts are going on for developing new types of cables to meet niche market demand

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. CAVUS Type
- 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

4. Expenditure on R & D:

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

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Technology Absorption, Adaptation and Innovation:

1. Efforts in brief, made towards technology absorption, adaptation and innovation:
 - (a) Development of Sag Control Amorphous Coil indigenously as import substitute of expensive foreign component. Also locally developed special ceramic coating for sag control as an import substitute.
 - (b) Developed REACH compliant special PVC compound as per European standards.
 - (c) Developed special PVC compound suitable for temperature ranging from – 60 deg. C to + 105 deg. C.
 - (d) Special PVC compound with very high volume resistivity developed as import substitute.
 - (e) Indigenously developed calcium carbonate for high speed PVC compound as import substitute.
 - (f) Several grades of PVC compounds were reformulated to suit higher line speeds and also made environment friendly complying with ROHS requirements.
 - (g) 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 last 5 years reckoned from the beginning of the financial year):
 - a) Technology Imported : Nil
 - b) Year of Import : Not applicable
 - c) Has technology been fully absorbed? : Not applicable
 - d) 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:

Due to the depressed market situation still continuing overseas FOB value of exports for the year was Rs 316.1 Million. 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 and other cables. Your Company has also developed REACH compliant special PVC compound as per European standards to better target this discerning market.

- i) Earnings by way of Exports : Rs 316.6. Million
- ii) Outgo by way of Imports: Rs 2005 Million

For and on behalf of the Board of Directors

Pune,
Dated : 30th May, 2017

D K Chhabria
Executive Chairman



Finolex Cables Limited

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

Rs in million

Sr. No.	Name of Associates	Latest Audited Balance Sheet date	Shares held by the Company on the year end		Holding %	Significant Influence	Reason for not consolidation	Networth (Only Holding % considered)	Profit/(Loss) for the year	
			No.	Investment Held Rs in million					Considered in consolidation	Not considered in consolidation (Only Holding % considered) (- ve indicate loss)
1	Finolex Industries Limited	31-Mar-17	40192597	1518.5	32.39%	Voting Power	Applicable	4,183.8	709.7	-

Part "B": Joint Venture

1	Finolex J-Power Systems Private Limited	31-Mar-17	117850000	1178.5	49.00%	Voting Power	Applicable	511.1	(124.1)	-
2	Coming Finolex Optical Fibre Private Limited	31-Mar-17	1750000	17.5	50.00%	Voting Power	Applicable	14.2	-	-

For and on behalf of the Board of Directors

Pune
Dated : 30th May 2017

D.K. Chhabria
Executive Chairman

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Annexure J to the Directors' Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITIES (CSR) ACTIVITIES

The Company has a CSR Committee which is comprised of the following persons:

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

The Committee met thrice during the year under review.

The prescribed CSR expenditure for the current year was Rs. 39.9 million (calculations based on 2% of the average net profit of the past three financial years). While various projects were sanctioned with an expenditure of Rs. 39.9 million, the amount actually spent during the year was Rs. 15.8 million. The amount remaining unspent at the end of March 2017 was Rs. 54.9 million (including Rs. 30.8 million that was allocated to a specific project in the year 2015-16) – this amount will be spent in 2017-18.

Details of the projects sanctioned in 2016-17 are given below:

Sr No	Plant Area	Request made by	Name of the Institution	Purpose/Activity	Amount (Rs. In Lakhs)	Amount remained to be spent for which expenditure is expected in 2017-18(Rs. In Lakhs)
1	Pune	St Mary's School	St Mary's School	Upgradation of facilities at School	Rs.9.68	Rs.1.88
2	Roorkee	Radha Soami Satsang Beas	Maharaj Sawan Singh Charitable, Hospital, Beas	Patient care, expenses towards hospitalization	Rs.125.00	-
3	Urse	Ozarde Grampanchayat	Ozarde Grampanchayat	Construction of building/hall for Women empowerment and Savings Groups.	Rs.25.00	Rs.25.00
4	Urse	Pawana Hospital, Urse	Pawana Hospital, Urse	Improvement in healthcare towards cancer treatment, Diabetes screening, Cataract treatment, cardiac and mammo-graphy treatment	Rs.50.00	Rs.50.00
5	Roorkee	Kursali Grampanchayat	Village School at Kursali	Improvement of school infrastructure	Rs.50.00	Rs.50.00
6	Urse	Urse Grampanchayat	Urse Grampanchayat	Provision of Water Treatment Facility at Urse Village	Rs.50.00	Rs.50.00
7	Urse	Gram Panchayat, Adhe Village	Adhe Gaon ZP School	Shed replacement and construction of toilets for boys and girls studying upto 7 th Standard	Rs.4.48	Rs.4.48
8	Pashan, Pune	Superintendent of Police, Pune Rural	Pune Police, Rural	Construction of Multi-purpose Training Hall of approx.3965 sq ft at Main Admin Building, Pune Head Quarters for training purpose of Police and common people.	Rs.60.00	Rs.60.00
9	Pune	Trustee, Sakal Relief Fund, Pune	Sakal Relief Fund, Pune	Conservation of natural resources and safe drinking water.	Rs.20.00	-
10	Pune	Sakal India Foundation, Pune	Sakal India Foundation Pune	Promoting Education.	Rs.5.00	-
TOTAL					Rs. 399.16	Rs. 241.36

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,
Dated : 30th May, 2017

D. K. Chhabria
Executive Chairman



Finolex Cables Limited

Shareholder / Debentureholder Information

Registered Office

Finolex Cables Limited, 26/27 Mumbai-Pune Road, Pimpri, Pune - 411 018
[CIN: L31300MH1967PLC016531]

Annual General Meeting

The Forty-Ninth Annual General Meeting ("AGM") of the Company will be held on Thursday, 28th September, 2017 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	:	28th September, 2017
(b) Results for quarter ending 30th June, 2017	:	Second week of August, 2017
(c) Results for quarter ending 30th September, 2017	:	Second week of November, 2017
(d) Results for quarter ending 31st December, 2017	:	Second week of February, 2018
(e) Results for quarter ending 31st March, 2018	:	Last week of May, 2018

Dates of Book Closure

The Company's Transfer Books will be closed from Monday, 18th September, 2017 to Thursday 28th September, 2017 (both days inclusive) for purpose of AGM and for payment of Dividend for the year ending 31st March, 2017.

Dividend Payment

The Board of Directors of the Company at its meeting held on 30th May, 2017 recommended payment of Dividend @150% (i.e. Rs.3 per equity share of Rs.2/- each fully paid up) for the year ending 31st March, 2017. 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 27th October, 2017 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 Saturday, 16th September, 2017).

Stock Exchange Listing

The Company's equity shares are tradable and/or quoted on National Stock Exchange of India Limited ("NSE") and BSE Limited (Bombay Stock Exchange Limited) 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 BSE Limited	:	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 2017-18 as applicable has been paid to the Stock Exchanges (i.e., NSE and BSE) and Annual Maintenance Fees for the Calendar year 2017 has been paid by the Company to the Luxembourg Stock Exchange in respect of the GDRs listed thereon.

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Stock Market Data

The monthly high and low quotations and volume of shares traded at National Stock Exchange of India Limited (NSE) and BSE 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 16	298.90	277.70	2,238,859	298.90	279.75	191,215
May 16	359.50	264.70	3,987,027	359.05	270.05	619,664
June 16	374.95	330.50	3,193,886	374.00	331.00	450,525
July 16	374.95	330.50	3,193,886	399.10	354.00	203,503
August 16	446.50	371.00	2,788,420	445.50	373.30	365,678
September 16	458.95	405.75	1,151,657	457.00	416.00	214,234
October 16	463.95	424.80	555,017	456.00	422.50	105,252
November 16	450.00	355.00	2,083,231	452.95	362.05	182,941
December 16	437.45	395.10	831,213	437.10	395.65	189,824
January 17	452.90	400.00	1,977,733	453.60	402.20	135,400
February 17	473.90	418.30	1,208,248	472.15	426.80	1,124,130
March 17	522.00	430.00	1,584,260	520.00	432.25	280,722
Total			24,793,437			4,063,088

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

Shareholding Pattern as on 31st March, 2017

Sr. No.	Category	No. of shares held	Percentage Shareholding
A	Promoters Shareholding		
1	Promoters*		
	- Indian Promoters	54,841,170	35.86%
	- 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	28,042,485	18.34
	b Banks & Financial Institutions	38,000	0.02
	c Foreign Portfolio Investors	9,430,682	6.17
	d Insurance Companies	1,045,182	0.68
	Sub Total	38,556,349	25.21
	OTHERS:		
	a Private Corporate Bodies**	24,814,869	16.23
	b Indian Public	27,798,190	18.18
	c NRIs/ OCBs	882,315	0.58
	d Clearing Members***	34,902	0.02
	e Any others (Custodian for GDRs)	6,011,550	3.93
	Sub Total	59,541,826	38.93
	Grand Total	152,939,345	100.00

* The promoters have confirmed to the Board of Directors that they have not pledged any of their shares held in the Company as at 31st March, 2017 with any party / bank.

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

*** In case an investors has bought any shares, such investors must ensure that the relevant shares are to be transferred to his demat account before the book closure period/record date. Investors should note that the dividend on shares lying in the clearing members (i.e. Broker) account cannot be made available to the members directly by the Company.



Finolex

Cables Limited

Distribution by Size of Shareholding as on 31st March, 2017

No. of Equity Shares held	No. of Members	% of Members	No. of Shares	% of Shareholding
1-5000	37,594	95.71	10,173,643	6.65
5001-10000	1106	2.82	3,968,697	2.60
10001 & above	579	1.47	138,797,005	90.75
Grand Total	39,279	100.00	152,939,345	100.00

Registrar and Transfer Agents

The Company had earlier taken requisite steps and centralized at a single point its share registry works for equity shares held in physical as well as electronic form with M/s. Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032 who are an ISO 9002 Certified Registrar and Transfer Agents and are holding Registrars to an issue and Share Transfer Agent Category I Registration No. INR000000221 dated 18th October, 2012 issued by Securities and Exchange Board of India (“SEBI”).

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 - 2015- 2017

31st March	No. of members
2015	40,086
2016	39,380
2017	39,279

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 Share	Dividend Rate	
			Percentage (%)	Amount (Rs. per share)
2015-16	8th September, 2016	2	125	2.50
2014-15	10th August, 2015	2	90	1.80
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

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

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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 agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) to offer depository services to its members. As on 31st March, 2017, 98.43% (i.e. NSDL: 96.11% and CDSL: 2.32%) of the equity share capital of the Company has been dematerialized.

Annual custody fees for the financial year 2016-17 had been paid by the Company to NSDL and CDSr.

Outstanding GDRs/ DRs/ Warrants, etc.

There are no outstanding GDRs/ DRs/ Warrants or any convertible instruments for conversion as on 31st March, 2017.

Plant Locations:

Pimpri (Electrical Cables)

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

Urse (Optic Fibre and Optic Fibre Cable)

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

Urse (Switches)

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

Goa (Electrical & Communication Cables)

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

Goa (CCC Rod)

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

Urse (Electrical & Communication Cables)

Taluka Maval
Dist – Pune - 410 506
Telephone Nos.: (02114) 662551/662466
Facsimile No.: (02114) 237025
Email: pm_deshpande@finolex.com

Urse (Lighting)

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

Urse (Power Cable)

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

Goa (Optic Fibre Cables)

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

Roorkee (Electrical Cables)

Plot Nos.K-1 & K-2 AIS Industrial Estate
Latherdeva Hoon, Mangalaur Zebreda Road,
Roorkee, Taluka Haridwar,
Uttarakhand – 247 667
Telephone Nos.: (01332) 224069/224044/45
Telefax No.: (01332) 224068
Email: pravin_ahire@finolex.com



Finolex Cables Limited

Roorkee (Switchgears)

Plot Nos.K-1 & K-2 AIS Industrial Estate
Latherdeva Hoon, Mangalaur Zebreda Road,
Roorkee, Taluka Haridwar,
Uttarakhand – 247 667
Telephone No.: (01332) 224069/224044/45
Telefax No.: (01332) 224068
Email: mohit_sapra@finolex.com

Roorkee (Switches)

Plot Nos.K-1 & K-2 AIS Industrial Estate
Latherdeva Hoon, Mangalaur Zebreda Road,
Roorkee, Taluka Haridwar,
Uttarakhand – 247 667
Telephone No.: (01332) 224069/224044/45
Telefax No.: (01332) 224068
Email: pravin_ahire@finolex.com

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, the Memorandum of Association and Articles of Association of the Company besides various blank forms and formats are available under "Investors Section" of Company's website [http:// www.finolex.com](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 Nos.: (020) 27506202/27506230/27506279
Board Nos.: (020) 27506200 / 27475963
Facsimile No.: (020) 27472239
Email: Investors@finolex.com

(B) Share Transfer Agent:

M/s. Karvy Computershare Pvt. Ltd.
Karvy Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda, Hyderabad,
Telangana – 500 032
Telephone No.: (040) 67161630
Board No.: (040) 67162222
Facsimile No. : (040) 23420814
Email: einward.ris@karvy.com

Contact Persons:

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

Contact Persons:

Mr. V. K. Jayaraman – General Manager
Mr. Ravindra S. Phulpagar – Deputy Manager
Mr. Satish Chavan – Executive

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. As per the provisions of Section 72 of the Companies Act, 2013 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, Karta's of Hindu Undivided Families (HUFs) and holders of Power of Attorney. Blank nomination form can be downloaded from the Company website: <http://www.finolex.com>. In case of any assistance, please contact the Secretarial Department at the above Registered Office of the Company.

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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. The relevant provisions of Section 20, 101 and 136 of the Companies Act, 2013 ("the Act") read with the relevant Rules framed under the Act support this noble cause 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.

Debt Securities:

The Company has not issued any Non-Convertible Debentures ("NCD") in Financial Year 2016-17 and no NCD is outstanding as on 31st March, 2017.



Finolex

Cables Limited

INDEPENDENT AUDITOR'S REPORT ON STANDALONE FINANCIAL STATEMENTS

To the Members of Finolex Cables Limited

Report on the Standalone Ind AS Financial Statements

1. We have audited the accompanying standalone financial statements of Finolex Cables Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "standalone Ind AS financial statements")

Management's Responsibility for the Standalone 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 standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed 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 standalone Ind AS 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 standalone 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 there under.
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 standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS 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 standalone Ind AS 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 including the Ind AS, of the financial position of the company as at March 31, 2017 and its profits including other comprehensive income, its cash flows and the changes in equity for the year then ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016, 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 I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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;

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- b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Cash Flow and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 ;
- e. On the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure II";
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 45 (a) to the financial statements
 - ii. The Company did not have any long-term contracts including derivate contracts for which there were any material foreseeable losses, and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
 - iv. The Company has provided requisite disclosures in the standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated 8th November 2016 of Ministry of Finance during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with books of account maintained by the company and as produced by to us by the Management.

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

Ravi Kapoor
Partner
Membership No.:040404

Pune, May 30, 2017



Finolex

Cables Limited

Annexure I to the Auditor's Report referred:

The Annexure referred to in the Independent Auditor's Report to the members of the Company on standalone financial statements for the year ended March, 31, 2017 we report that:

1. (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
- (ii) The fixed assets of the Company have been physically verified by the Management during the year. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account. In our opinion, the frequency of verification is reasonable.
- (iii) According to the information and explanations given to us and to the best of our knowledge and belief, the title deeds of the following properties are not in the name of the Company:

Title Deed held in the Name of	Nature of Property	Location	Gross Block Rs. Million	Net Block Rs. Million
Finolex Fiber Optic Cables Limited	Freehold Land	Urse	19.3	19.3
Finolex Essex Industries Ltd	Freehold Land	Goa	12.1	12.1

2. According to the information and explanations given to us and on the basis of our examination of the records of the Company, physical verification of inventory has been conducted at reasonable intervals by the management and discrepancies noticed 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) (a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provision of section 185 and 186 of the Act, with respect to the loans and investments made and providing guarantee & securities.
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. Accordingly paragraph 3(5) of the Order is not applicable.
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. In respect of Statutory Dues:
 - i) According to the records of the Company examined by us and information and explanations given to us the Company is generally 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.
 - ii) According to the information and explanations given to us, there are no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Sales Tax, Wealth Tax, Excise Duty, Service Tax, Customs Duty and Value Added Tax that were outstanding, at the year-end for a period of more than six months from the date they became payable.
- iii) 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:

Nature of Dues	Amount in Million	Forum where dispute is pending	Period to which Amount relates
The Central Sales Tax Act and Local Sales Tax Acts	12.94	Appellate Tribunal	From 1992-93
	674.77	Additional Commissioner (Appeal)	
	42.79	A.C.C.T (Appeals)	From 2002-03 to 2007-2008
	60.44	Joint Commissioner (Appeals)	Various Years

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Nature of Dues	Amount in Million	Forum where dispute is pending	Period to which Amount relates
Central Excise	145.17 17.92	Customs Excise and Service Tax Appellate Tribunal – Mumbai	Various Years
	23.75	Commissioner Appeals	Various Years
	0.00	Commissioner Excise	Various Years
	9.56	Additional Commissioner	Various Years
	17.56	Assistant Commissioner	2011-12 to 2013-14
Income Tax Act, 1961	1.42	Supreme Court	Various Years
	65.24	High Court	Various Years
	41.58	ITAT	Various Years
	32.81	CIT(A)	Various Years

8. 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 any dues from financial institution or bank or debenture holders as at the Balance Sheet date.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly paragraph 3(ix) of the Order is not applicable.
10. 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 or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone Ind AS financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, hence reporting under clause 3(xiv) of the order is not applicable to the company.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

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

Ravi Kapoor
Partner

Membership No.:040404

Pune, May 30, 2017



Finolex Cables Limited

Annexure-II to the Auditors' Report referred:

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

We have audited the internal financial controls over financial reporting of Finolex Cables Limited ("the Company") as of March, 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on

Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March, 31, 2017 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Ravi Kapoor
Partner
Membership No.:040404

Pune, May 30, 2017

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Financial summary for ten years

(Rs in Million)

	IGAAP									Ind-AS
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
PROFIT AND LOSS ACCOUNT DATA										
Gross Revenue *	16,270	15,525	17,507	22,123	22,188	24,477	25,583	26,333	26,765	27,710
Materials and Manufacturing Cost (Including Excise Duty)	13,068	12,429	13,573	18,032	17,629	19,041	19,731	19,983	19,608	19,528
Employee cost	497	533	592	647	695	846	848	940	1,076	1,192
Depreciation	265	388	372	388	395	466	484	640	572	480
Interest and Finance charges	204	324	187	191	261	134	145	136	95	43
Other exp.	1,033	2,152	1,891	1,793	2,115	2,282	1,935	2,002	2,051	2,273
Profit Before Tax	1,203	(301)	892	1,072	1,093	1,708	2,440	2,631	3,363	4,193
Taxation	314	54	315	204	111	255	363	645	876	1034
Profit After Tax	889	(355)	576	868	982	1,453	2,077	1,986	2,488	3,159
Other comprehensive Income	-	-	-	-	-	-	-	-	-	38
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	3,197
Dividend (Including Tax on Dividend Distribution if applicable)	268	36	107	124	142	214	286	331	460	-
BALANCE SHEET DATA										
Share Capital	306	306	306	306	306	306	306	306	306	306
Reserves	6,109	5,656	6,125	6,869	7,698	8,937	10,728	12,342	14,370	18,469
Net Worth	6,415	5,962	6,431	7,175	8,004	9,243	11,034	12,648	14,676	18,774
Loan Funds	2,876	2,959	2,751	2,601	1,716	1,806	1,470	1,267	512	-
Other Liability	-	-	-	-	-	-	-	-	-	66
Deferred Tax (Net)	175	221	319	310	326	345	295	300	230	189
Total Liabilities	9,466	9,142	9,501	10,086	10,046	11,394	12,799	14,216	15,418	19,029
Gross Block	6,773	8,022	8,313	8,563	8,846	9,777	10,728	10,960	11074	11,485
Net Block	3,784	4,557	4,476	4,340	4,424	4,607	5,074	4,704	4248	4,149
Investments	3,168	3,141	2,802	2,452	2,372	3,241	4,031	4,942	6,195	8,959
Net Current Assets	2,514	1,444	2,223	3,294	3,250	3,546	3,693	4,569	4,974	5,922
Total Assets	9,466	9,142	9,501	10,086	10,046	11,394	12,799	14,216	15,417	19,029
KEY RATIOS										
Growth in Revenue (%)	35.0	(4.6)	12.8	26.4	0.3	10.3	4.5	2.9	1.6	3.5
PAT to Revenue (%)	5.5	(2.3)	3.3	3.9	4.4	5.9	8.1	7.5	9.3	11.5
Return on Net Worth (%)	13.9	(6.0)	9.0	12.1	12.3	15.7	18.8	15.7	17.0	16.8
Earnings per Share Rupees (for face value of Rs.2/- each)	5.8	(2.3)	3.8	5.7	6.4	9.5	13.6	13.0	16.3	20.7
Asset Turnover Ratio (Revenue to Total Assets)	1.7	1.7	1.8	2.2	2.2	2.1	2.0	1.9	1.7	1.5
"Return on Capital Employed (%)"	15.4	(0.01)	11.4	12.7	13.4	17.1	21.3	21.9	23.6	22.6
Debt to Equity Ratio	0.4	0.5	0.4	0.4	0.2	0.2	0.1	0.1	0.03	-
"Payout Ratio (incl. Dividend Tax) Distribution to PAT(%)"	30.1	-10.1	18.6	14.3	14.5	14.7	13.8	16.7	18.5	-

Note :

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



Finolex

Cables Limited

Standalone Balance Sheet as at 31 st March, 2017

(Rs. In Million)

	Note No.	As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015
I ASSETS				
NON CURRENT ASSETS				
(a)	3	4,136.7	4,317.4	4,714.2
(b)	3	81.5	31.4	66.7
(c)	4	12.0	4.5	4.7
(d)				
i)	5	2,074.7	2,123.7	2,085.4
ii)	5	945.5	814.8	877.7
iii)	6	65.6	65.2	42.2
(e)	7	6.2	0.5	192.9
		<u>7,322.2</u>	<u>7,357.5</u>	<u>7,983.8</u>
CURRENT ASSETS				
(a)	8	4,620.1	3,293.0	3,111.1
(b)				
(i)	5	5,938.5	4,066.2	2,887.7
(ii)	9	1,243.9	1,259.2	1,186.1
(iii)	10	2,008.9	2,187.3	1,381.4
(iv)	6	81.3	85.3	21.2
(c)		4.9	-	-
(d)	11	440.4	935.0	787.6
		<u>14,338.0</u>	<u>11,826.0</u>	<u>9,375.1</u>
TOTAL ASSETS		<u>21,660.2</u>	<u>19,183.5</u>	<u>17,358.9</u>
II EQUITY AND LIABILITIES				
EQUITY				
(a)	12	305.9	305.9	305.9
(b)	13	18,468.5	15,650.0	13,574.4
		<u>18,774.4</u>	<u>15,955.9</u>	<u>13,880.3</u>
LIABILITIES				
NON CURRENT LIABILITIES				
(a)				
(i)	14	3.8	257.5	512.1
(b)	15	60.1	49.1	49.7
(c)	17	188.9	243.6	314.2
(d)	16	1.9	4.0	4.1
		<u>254.7</u>	<u>554.2</u>	<u>880.1</u>
CURRENT LIABILITIES				
(a)				
(i)	14	-	-	0.3
(ii)	18	908.1	898.8	531.9
(iii)	19	1,211.9	1,409.2	1,776.7
(b)		-	191.1	107.0
(c)	15	105.5	82.2	87.0
(d)	20	405.6	92.1	95.6
		<u>2,631.1</u>	<u>2,673.4</u>	<u>2,598.5</u>
		<u>2,885.8</u>	<u>3,227.6</u>	<u>3,478.6</u>
TOTAL EQUITY AND LIABILITIES		<u>21,660.2</u>	<u>19,183.5</u>	<u>17,358.9</u>

Notes

The notes are an integral part of the financial statements 33 to 49

As per our report of even date

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Ravi Kapoor
Partner
Membership No. 040404
Pune: 30th May 2017

For and on behalf of Board of directors **Finolex Cable Ltd.**

S. K. Asher
P. R. Rathi
P. G. Pawar
A. J. Engineer
Namita Thapar

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

Pune: 30th May 2017

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

49th

Annual Report 2016-17

Statement of Profit and loss for the year ended 31st March, 2017

(Rs. In Million)

CONTINUING OPERATIONS		Note No.	Year Ended 31st March, 2017	Year Ended 31st March, 2016
I	Revenue from operations	21	26,707.5	25,747.3
II	Other income	22	1,002.1	644.4
III	Total income		27,709.6	26,391.7
IV	EXPENSES			
	(a) Cost of raw material and components consumed	23	18,119.6	17,122.3
	(b) Purchase of traded goods	24	332.3	218.4
	(c) (Increase)/decrease in inventories of finished goods,work-in-progress and traded goods	25	(1,183.3)	(130.9)
	(d) Excise duty	21	2,259.1	2,144.1
	(e) Employee benefits expense	26	1,191.9	1,072.2
	(f) Depreciation and amortization expense	27	480.3	579.9
	(g) Finance Costs	28	42.9	89.5
	(h) Other Expenses	29	2,273.6	1,932.3
	Total Expense (IV)		23,516.4	23,027.8
V	Profit/(loss) before Exceptional items and Tax		4,193.2	3,363.9
VI	Exceptional items		-	-
VII	Profit/(loss) after Exceptional items before Tax		4,193.2	3,363.9
VIII	Tax Expense			
	(a) Current tax		1,159.1	1,033.6
	(b) Adjustment of tax relating to earlier periods		(84.1)	(87.7)
	(c) Deferred tax		(40.6)	(70.6)
	Total Tax (VIII)	17	1,034.4	875.3
IX	Profit after Tax from continuing operations		3,158.8	2,488.6
X	Profit/(loss) for the year		3,158.8	2,488.6
XI	Other comprehensive income			
	A. Items that will not be reclassified to profit or loss			
	Re-measurement gains/ (losses) on defined benefit plans	30	(18.3)	(3.5)
	B. Items that will be reclassified to profit or loss			
	Net (loss)/gain on FVTOCI Equity Securities	30	56.0	(72.3)
XII	Total comprehensive income for the year		3,196.5	2,412.8
XIII	Earnings per equity share of face value of Rs. 2 each (for continuing operation)			
	(i) Basic	32	20.7	16.3
	(ii) Diluted	32	20.7	16.3
Notes				
The notes are an integral part of the financial statements		33 to 49		

As per our report of even date

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Ravi Kapoor
Partner
Membership No. 040404
Pune: 30th May 2017

For and on behalf of Board of directors **Finolex Cable Ltd.**

S. K. Asher
P. R. Rathi
P. G. Pawar
A. J. Engineer
Namita Thapar

R.G.D'Silva
Company Secretary & President (Legal)
Pune: 30th May 2017

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



Finolex

Cables Limited

Statement of Changes in Equity for the year ended 31st March, 2017

(Rs. in Million)

A) Equity Share Capital

Particulars	Nos.	Amount
As at 1st April, 2015	152,939,345	305.9
As at 31st March, 2016	152,939,345	305.9
As at 31st March, 2017	152,939,345	305.9

B) Other Equity-Change for the year 2015-16 & 2016-17

Particulars	Capital Reserve	Reserve and surplus Securities Premium Reserve	General Reserve	Other Reserve	Retained Earnings	Other Comprehensive Income	Total
As at 1st April, 2015	84.1	1,091.0	5,279.6	305.2	6,814.6		13,574.5
Profit for the year 2015-16					2,488.6		2,488.6
Other comprehensive income for the year							
Remeasurements gains/(loss) on defined benefit Plans.						(3.5)	(3.5)
Net (loss)/gain on FVTOCI Equity Investments						(72.4)	(72.4)
Dividends							
Final Dividend					(275.3)		(275.3)
Dividend Distribution Tax					(56.0)		(56.0)
Transfer from Debenture Redemption Reserve to General Reserve			250.0	(250.0)			-
Capitalisation of Lease hold land Rent reclassified to other liabilities					(5.9)		(5.9)
As at 31st March, 2016	84.1	1,091.0	5,529.6	55.2	8,965.9	(75.8)	15,650.0
Profit for the year 2016-17					3,158.8		3,158.8
Other comprehensive income for the year							
Remeasurements gains/(loss) on defined benefit Plans.						(18.3)	(18.3)
Previous Year Adjustment						3.5	3.5
Net (loss)/gain on FVTOCI Equity Investments						56.0	56.0
Previous Year Adjustment						72.4	72.4
Dividends							
Final Dividend					(382.4)		(382.4)
Dividend Distribution Tax					(77.2)		(77.2)
Adjustment of earlier deferred tax liabilities					13.7		13.7
Adjustment of depreciation on capitalised spares FY 15-16					(8.0)		(8.0)
As at 31st March, 2017	84.1	1,091.0	5,529.6	55.2	11,670.9	37.7	18,468.5

As per our report of even date

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Ravi Kapoor
Partner
Membership No. 040404
Pune: 30th May 2017

For and on behalf of Board of directors **Finolex Cable Ltd.**

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Company Secretary & President (Legal)

Pune: 30th May 2017

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

49th

Annual Report 2016-17

Cash Flow Statement for the year ended 31st March, 2017

	(Rs. in Million)	
	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Cash flows from Operating activities		
Profit before tax for the year	4,193.2	3,363.9
Adjustments for:		
Finance costs recognised in Profit or Loss	42.9	89.5
Investment income recognised in Profit or Loss	(406.4)	(85.3)
(Profit) / Loss on sales of assets	(0.8)	(18.7)
Interest Income	(140.6)	(117.3)
Depreciation and Amortisation	480.3	579.9
Impairment of non-current Investment	245.0	194.5
	<u>4,413.6</u>	<u>4,006.5</u>
Movements in working capital:		
(Increase)/decrease in Trade and Other Receivable	15.3	(73.1)
(Increase)/decrease in Inventories	(1,327.3)	(181.9)
(Increase)/decrease in Other Assets	487.6	(42.1)
(Increase)/decrease in Trade and Other Payables	(39.2)	(96.4)
(Increase)/decrease in Provision	288.6	(5.2)
(Increase)/decrease in Other Liabilities	(62.0)	(150.2)
	<u>(637.1)</u>	<u>(548.9)</u>
Cash generated from operation	3,776.6	3,457.6
Income Tax Paid	(1,190.0)	(701.3)
Net cash generated from operating activities	<u>2,586.6</u>	<u>2,756.3</u>
Cash flow from Investing Activities		
Proceeds from sale of Investment	21,061.0	16,191.1
Other Dividends Received	406.4	85.3
Interest Income	140.6	117.3
Payments to acquire Investments	(23,064.0)	(17,306.7)
Payments for Property, Plant and Equipment	(356.3)	(128.9)
Investment in Joint Venture	(196.0)	(232.8)
Net cash (used in) generated by investing activities	<u>(2,008.4)</u>	<u>(1,274.7)</u>
Cash flow from financing activities		
Repayments of Borrowings	(253.7)	(254.9)
Interest paid	(42.9)	(89.5)
Dividends paid on equity shares (including dividend distribution tax)	(460.2)	(331.3)
Net cash (used in) for financing activities	<u>(756.7)</u>	<u>(675.7)</u>
Net increase in cash and cash equivalents	(178.5)	806.0
Cash and cash equivalents at the beginning of the year	2,187.4	1,381.4
Cash and cash equivalents at the end of the year	2,008.9	2,187.4
Total Cash and Cash Equivalents as per Balance Sheet	<u>2,008.9</u>	<u>2,187.4</u>
Total Cash and Cash Equivalents as per Statement of Cash Flow	<u>2,008.9</u>	<u>2,187.4</u>

As per our report of even date

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Ravi Kapoor
Partner
Membership No. 040404
Pune: 30th May 2017

For and on behalf of Board of directors **Finolex Cable Ltd.**

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Company Secretary & President (Legal)

Pune: 30th May 2017

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



Finolex

Cables Limited

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

1. Corporate information

The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges (i.e. BSE & NSE) in India. The registered office of the Company is located at 26/27, Mumbai-Pune Road, Pimpri, Pune 411018 (India). The Company is principally engaged in the manufacturing of Electricals Cables, Communication Cables & other electrical appliances.

These standalone financial statements for the year end 31st March, 2017 were approved for issue by the Board of Directors in accordance with their resolution dated 30th May, 2017.

2. Summary of Significant Accounting Policies

2.1 Basis of preparation & presentation

These standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015. For all periods up to and including the year ended 31st March 2016, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP) and Companies (Accounting Standards) Rules, 2006. These financial statements for the year ended 31st March 2017 are the first that the Company has prepared in accordance with Ind AS. These financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which have been measured at fair value.

The financial statements are presented in INR and all values are rounded to the nearest Million in single digit, except where otherwise indicated.

2.2 Segment information

Operating segments are reported consistently with the internal reporting provided to the Executive Chairman, the highest decision-making executive who is responsible for allocating resources to and assessing the performance of the operating segments.

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 "Un-allocable 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 "Un-allocable Assets/Liabilities".

2.3 Current and Non-current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets or liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.4 Foreign Currencies

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Realised gains and losses as well as exchange differences arising on translation (at year end exchange rates) of monetary assets and monetary liabilities outstanding at the end of the year are recognised in the statement of Profit and Loss.

In case of forward exchange contracts entered as hedge transactions, the premium or discount arising at the inception of forward exchange contract is amortised as income or expense over the life of the contract. Exchange differences are recognised as an income or expense in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or expiry of such forward exchange contract is recognised as income or expense for the period.

2.5 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligation in all the revenue arrangements as it has pricing liberty and is also exposed to inventory and credit risks.

Based on the Educational Material on Ind-AS 18 (Revenue) issued by the ICAI, the Company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty.

However, sales tax/ value added tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognized.

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Dividends

Revenue is recognized when the Company's right to receive the dividend is established, which is generally when shareholders approve the dividend.



Finolex

Cables Limited

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

2.6 Government Grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual installments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per accounting policy applicable to financial liabilities.

2.7 Taxes

Current Income Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India where it generates taxable income.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When deferred tax assets relating to deductible temporary difference arise from initial recognition of assets and liability in transaction that is not business combination and, at time of transaction affects neither the accounting profit or taxable profit or loss.
- In respect of deductible temporary difference associated with investment in subsidiaries, associate and interest in joint venture, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will available against which the temporary difference can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.8 Property, Plant and Equipment

(a) Tangible Assets

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to bringing the asset to its working condition for its intended use and is net of costs recoverable.

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

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

(b) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the statement of profit or loss in the period in which the expenditure is incurred.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

(c) Leased Assets

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, at the present value of the minimum lease payments, whichever is lower. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

(d) 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.

(e) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurred in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(f) Depreciation and Amortisation

(1) Tangible Assets

Estimated useful life adopted by the Company 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



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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, as appropriate.

(2) Intangible Assets

Summary of amortisation policies applied to the Company's intangible assets to the extent of depreciable amount is, as follows:

Particular	Depreciation /Amortisation
Technical know – how	Over the useful life of the underlying assets
Computer Software	Over a period of 5 years
Others	Over the period of agreement of right to use

2.9 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of raw materials, packing material, consumables stores and spares are 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.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined using the weighted average cost method.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Scrap generated during the manufacturing process is valued at net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.10 Provisions

General

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Warranty Provisions

Provisions for warranty-related costs are recognised when the product is sold or service provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

2.11 Retirement and Other Employee Benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee rendered the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

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.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognizes related restructuring costs
- Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:
- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

2.12 Financial Assets and Financial Liabilities

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement

All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchases or sales of financial assets are recognised using trade date accounting.

Subsequent measurement

For purposes of subsequent measurement, financial assets are measured as below:

- Financial Assets at amortised cost
- Financial Assets at fair value through other comprehensive income (FVTOCI)
- Financial Assets, derivatives and equity instruments at fair value through profit or loss (FVTPL)

Investments in Associates and Joint Venture - The Company has accounted for its investments in Associates and Joint ventures at Cost.

Impairment of Financial Assets

In accordance with IND AS 109, the Company applies expected credit loss model for measurement and recognition of impairment loss on the financial assets and credit risk exposure.

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)



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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the profit or loss statement.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

2.13 Share Capital

Ordinary equity shares are classified as equity.

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

2.14 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.15 Cash dividend distribution to equity holder of the Company

The Company recognizes a liability to make cash or non-cash distributions to equity holder of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognized directly in equity, upon such approval.

2.16 Trade Receivables

Trade receivables are amounts due from customer for merchandise sold or services performed in the ordinary course of business. If collection is due in one year or less they are classified as current assets

Commercial receivables are recognised initially at fair value and subsequently measured at amortised cost using the original effective interest method, less provision for impairment. A provision for impairment of trade receivables is recognised when there is objective evidence that the Company will not be able to collect all amounts due under the original terms of the receivables. Indications of impairment are deemed to exist when the debtor is in serious financial difficulty; it is probable that the borrower will enter bankruptcy or other financial re-organisation, and in the event of payment of default or delinquency. When a receivable is deemed uncollectible it is written off against the provision for receivables. Any subsequent recovery of previously written-off amounts is recognised in the income statement.

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

2.17 Trade Payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from supplier. Accounts payable are classified as current liabilities if payment is due within one year or less.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.18 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest rate method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer their settlement for at least 12 months after the end of the reporting period.

Fees paid on for availing the loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fees are deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimbursement the holder for a loss it incurred because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of IND AS 109 and the amount recognised less cumulative amortization.

2.19 Financial Risk Management

Financial Risk Factor

The Company's activities expose it to a variety of financial risks viz. market risk credit risk and liquidity risk. The Company overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

In the broadest sense, the goal of the management of financial risk is to control the incidents generated by fluctuations in exchange, interest rates and price of raw materials. Management of these risk factors focuses on the arrangement of financial instruments in order to build, as far as possible, exposure to favorable trends in exchange and interest rates, subject to compatibility with the mitigation, in part or in whole, of the adverse effects of an unfavorable environment.

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings, deposits, investments and foreign currency receivables and payables.

(b) Liquidity Risk

Liquidity risk arises from the Company's inability to meet its cash flow commitments on time. The prudent management of liquidity risk entails maintaining enough cash and available financing through sufficient credit facilities. In this respect, the Company's strategy, articulated by its Treasury Department, is to maintain the necessary financing flexibility through the availability of committed credit lines. The Management monitors the Company's forecast liquidity requirements together with the trend in net debt. The calculation of liquidity and net debt at 31st March 2017 and 31st March 2016 is calculated as follow:

(Rs. In Million)

Particular	31st March, 2017	31st March, 2016
Cash, cash equivalents & bank balances (Note 10)	320.9	208.3
Other current financial assets – Investments	5,938.5	4,066.2
Other current financial assets – Loans	Nil	Nil
Undrawn credit facilities and loans	2,000.0	2,000.0



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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

Liquidity buffer		
Bank Borrowings (Note 12)	-	250.0
Current Maturities of Deferred liabilities	-	250.0
Cash and cash equivalents (Note 8)	2,008.9	2,187.4
Other current financial assets – investments (Note 5B)	5,938.5	4,066.2
Net financial debt	Nil	Nil

The Company believes that the on-going initiatives and arrangements will prevent liquidity shortfalls.

The Company's Management monitors the forecast liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining enough headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants on any of its borrowing facilities.

2.20 Fair Value Estimation

Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfer have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At 31st March 2017 and 31 March 2016 the Company has no significant instruments classified in Level 1, 2 and 3.

2.21 Capital Risk Management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholder and benefits for the other stakeholder and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company can adjust the amount of dividends paid to shareholder, return capital to shareholder, issue new shares or sell assets to reduce debt.

Consistent with others in the industry the Company monitors capital on the basis of the leverage ratio. This ratio is calculated as net debt divided by total capital employed. Net debt is calculated as total borrowings plus current financial liabilities less cash, cash equivalents and current financial assets, all of which are shown in the annual accounts. Total capital employed is calculated as 'equity', as shown in the annual accounts, plus net debt.

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

2.22 Accounting Estimates and Judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions affecting the application of accounting policies and the amounts presented under assets and liabilities, income and expenses. Actual results may differ from these estimates.

(a) Income Tax

Income tax expense for the period ended 31st March 2017 has been estimated based on profit before taxes, as adjusted for any permanent and/or temporary differences envisaged in tax legislation governing the corporate income tax base calculation. The tax is recognized in the income statement, except in so far as it relates to items recognized directly in equity, in which case, it is also recognized in equity.

Tax credits and deductions and the tax effect of applying tax-loss carry-forward that have not been capitalised are treated as a reduction in the corporate income tax expense for the year in which they are applied or offset.

The calculation of income tax expense did not require the use of significant estimates except in tax credits recognized in the year, which was at all times consistent with the annual financial statements.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the annual accounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred taxes on temporary differences are recognized except in those cases where the Company can control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets deriving from the carry forward of unused tax credits and unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the tax assets can be utilised. In the case of investment tax credits the counterpart of the amounts recognized is the deferred income account. The tax credit is accrued as a decrease in expense over the period during which the items of property, plant and equipment that generated the tax credit are depreciated, recognizing the right with a credit to deferred income.

(b) Pension Benefits

The present value of the Company's pension obligations depends on a series of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Company considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation. Other key assumptions for employee benefits are based in part on current market conditions.

2.23 First Time Adoption of Ind. AS

The Company has adopted Ind AS with effect from 1st April 2016 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2015. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III to the Companies Act 2013.

A. Exemptions availed

A.1 Ind-AS optional exemptions:

Ind AS 101 allows first time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

A.1.1 Business Combination

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Company has availed the said exemption and elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Accordingly business combinations occurring prior to the transition date have not been restated.



Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

A.1.2 Deemed Cost

Ind AS 101 permits a first time adopter to elect to fair value of its property, plant and equipment as recognised in financial statements as at the date of transition to Ind AS, measured as per previous GAAP and use that as its deemed cost as at the date of transition or apply principles of Ind AS retrospectively. Ind AS 101 also permits the first time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS. This exemption can be also used for intangible assets covered by Ind-AS 38.

The Company has elected to consider the carrying values of its property, plant and equipment, and capital work in progress as its deemed cost on the date of transition to Ind AS.

A.1.3 Leases

Appendix C to Ind AS 17-“ Leases” requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind-AS except where the effect is expected to be not material

The Company has elected to apply this exemption for such contracts/arrangements.

A.1.4 Investments in Subsidiaries, Associates and Joint Ventures

Ind AS 101 permits the first time adopter to measure investment in subsidiaries, joint ventures and associates in accordance with Ind AS 27 at one of the following:

- (a) Cost determined in accordance with Ind AS 27 or
- (b) Deemed cost:
 - (i) Fair value at date of transition
 - (ii) Previous GAAP carrying amount at that date.

The Company has elected to consider previous GAAP carrying amount of its investments in joint ventures and associates on the date of transition to Ind AS as its deemed cost for the purpose of determining cost.

A.2 Ind-AS Mandatory Exceptions:

A.2.1 Estimates

An entity estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates at April 1, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- (i) Investments in equity instruments carried at FVPL or FVOCI
- (ii) Investments in debt instruments carried at FVPL and
- (iii) Impairment of financial assets based on expected credit loss model.

A.2.2 Derecognition of Financial Assets and Financial Liabilities

Ind AS 101 requires a first time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. Accordingly, the Company has applied the de-recognition requirement for financial assets and financial liabilities in Ind AS 109 prospectively for transactions occurring on or after date of transition to Ind AS.

A.2.3 Classification of Financial Assets and Liabilities

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of facts and circumstances that exist on the date of transition to Ind AS. Accordingly, the Company has applied the above requirement prospectively.

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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

Note 3 : Property, Plant and Equipment

	Land	Lease Hold Land	Build-ings	Plant and equip-ment	Furni-ture & Fittings	Office Equip-ment	Comput-ers,Pe-ripherals	Vehicles	Dies & Moulds	Total	CWIP
I. Gross Carrying Amount											
Balance as at 1st April 2016	138.8	153.0	1,673.4	2,776.1	22.1	14.1	29.6	49.1	6.5	4,862.7	
Additions	-	-	1.3	292.6	0.8	7.4	(5.3)	-	2.2	299.1	
Disposals	-	-	-	(6.5)	-	-	(0.8)	(0.7)	-	(8.0)	
Exchange differences	-	-	-	-	-	-	-	-	-	-	
As on 31st March 2017	138.8	153.0	1,674.7	3,062.2	22.9	21.5	23.5	48.4	8.7	5,153.8	
II. Accumulated Depreciation & Impairment											
Balance as at 1st April 2016	-	1.7	69.0	470.8	1.1	3.5	0.1	2.4	(3.3)	545.4	
Depreciation expenses for the year	-	1.7	68.6	385.1	3.8	3.1	6.7	7.3	2.8	479.0	
Impairment	-	-	-	53.0	-	-	-	-	-	53.0	
Disposals	-	(0.1)	-	(59.0)	-	4.7	(6.1)	-	-	(60.4)	
Balance as at 31st March 2017	-	3.3	137.6	849.9	4.9	11.3	0.8	9.7	(0.5)	1,017.1	81.5
III. Net Carrying Amount	138.8	149.7	1,537.1	2,212.3	18.0	10.2	22.7	38.7	9.2	4,136.7	81.5
I. Gross carrying Amount											
At 1st April 2015	114.7	153.0	1,673.0	2,678.6	22.9	14.4	13.9	38.1	5.6	4,714.2	66.7
Additions	24.6	-	0.4	111.1	2.9	2.0	21.9	16.3	7.6	186.8	
Deduction/Adjustment	-	-	-	15.5	-	-	-	-	-	15.5	
Disposals	(0.5)	-	-	(29.1)	(3.7)	(2.3)	(6.2)	(5.3)	(6.7)	(53.8)	
Exchange differences	-	-	-	-	-	-	-	-	-	-	
At 31st March 2016	138.8	153.0	1,673.4	2,776.1	22.1	14.1	29.6	49.1	6.5	4,862.7	66.7
II. Accumulated Depreciation and impairment											
Balance as at 1st April 2015	-	1.7	69.0	483.2	4.3	5.7	6.0	7.5	2.3	579.7	
Depreciation expenses for the year	-	1.7	69.0	483.2	4.3	5.7	6.0	7.5	2.3	579.7	
Impairment	-	-	-	53.0	-	-	-	-	-	53.0	
Disposals	-	-	-	(65.4)	(3.2)	(2.1)	(5.9)	(5.0)	(5.6)	(87.3)	
Balance as at 31st March 2016	-	1.7	69.0	470.8	1.1	3.5	0.1	2.4	(3.3)	545.4	31.4
III. Net carrying Amount	138.8	151.3	1,604.4	2,305.3	21.0	10.6	29.5	46.7	9.8	4,317.4	31.4



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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

Note 4 : Intangible Assets

I. Gross Carrying Amount	Computer Software
Balance as at 1st April, 2016	4.7
Additions	10.4
Disposals	-
Exchange differences	-
As on 31st March, 2017	15.1
II. Accumulated Depreciation & Impairment	
Balance as at 1st April, 2016	0.2
Depreciation expenses for the year	1.5
Impairment	-
Disposals	1.4
Balance as at 31st March, 2017	3.1
III. Net Carrying Amount	12.0

I. Gross carrying Amount	
At 1st April, 2015	4.7
Additions	-
Disposals	-
Exchange differences	-
At 31st March, 2016	4.7
II. Accumulated Depreciation and impairment	
Balance as at 1st April, 2015	-
Depreciation expenses for the year	0.2
Impairment	-
Disposals	(0.0)
Balance as at 31st March, 2016	0.2
III. Net carrying Amount	4.5

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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

Note 5 : Investments

	As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015
Non Current Investments			
Investment in Associates/Joint Ventures measured at cost			
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	1,518.5
Opening balance			
117,850,000 Equity Shares of Rs.10 each fully paid in Finolex J-Power Systems Private Limited (Previous Year 98,245,000)	1,178.5	982.5	749.7
Less: Provision for Diminution in value of Investments (Refer Note No. 2 Below)	(639.8)	(394.8)	(200.3)
1,750,000 Equity Shares of Rs.10 each fully paid in Corning Finolex Optical Fibre Private Limited (Previous Year 1,750,000)	17.5	17.5	17.5
	2,074.7	2,123.7	2,085.4

Note :

- The Company has a 32.39% interest in Finolex Industries Limited, which is involved in the manufacture of PVC, Pipes & Fittings in India. Finolex Industries Limited is a Listed Public entity .

The Company also have investment in Corning Finolex Optical Fiber Private Limited 50% of the Shareholding
- The company's investment in Finolex J-Power Systems Private Ltd, (JV) (49% Shareholding) 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. 245.0 million (previous year Rs. 194.5 million) towards diminution in the value of investments.

Investments at fair value through OCI (fully paid)			
Quoted equity shares			
30,500 Equity Shares of Rs. 2 each fully paid in Bharat Forge Limited (Previous Year 30,500)	31.7	26.6	39.2
358,500 Equity Shares of Rs. 10 each fully paid in IndusInd Bank Limited (Previous Year 358,500)	505.3	346.9	316.5
Unquoted equity shares			
6,100,000 Equity Shares of Rs. 10 each fully paid in I2IT Private Limited (Previous Year 6,100,000)	-	-	87.8
1,000,000 Equity Shares of Rs. 10 each fully paid in Finolex Plasson Industries Limited (Previous Year 1,000,000)	112.5	102.0	90.2
967,700 Equity Shares of Rs. 10 each fully paid in SICOM Limited (Previous Year 967,700)	210.2	210.2	214.7
5,373,938 Equity Shares of Rs.10 each fully paid in Finolex Infrastructure Limited (Previous Year 5,343,404)	85.8	129.1	129.3
Total FVTOCI investments	945.5	814.8	877.7
Aggregate value of Quoted Investments	537.0	373.5	355.7
Aggregate value of Unquoted Investments	408.5	441.3	522.0



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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

	As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015
Current Investment			
Investments- Current Assets			
Investments at fair value through OCI (fully paid)			
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)	74.5	95.4	119.5
168,750 Equity Shares of Rs.5 each fully paid in BF Investment Limited (Previous Year 168,750)	27.9	20.4	28.5
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 (Previous Year 300)	-	-	-
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 (Previous Year 22,105)	6.1	5.2	7.0
200,000 Equity Shares of Rs. 5 each fully paid in Kirloskar Ferrous Limited (Previous Year 200,000)	19.3	9.0	10.6
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	-	-
500 Equity Shares of Rs. 2 each fully paid in Sterlite Technologies Limited (Previous Year 500)	0.1	-	-
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)	-	0.1	-
218 Equity Shares of Re. 1 each fully paid in ZEE Entertainment Enterprises Limited (Previous Year 218)	0.1	0.1	-
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)	0.1	-	-
27 Equity Shares of Rs. 10 each fully paid in ZEE Learn Limited (Previous Year 27)	-	-	-

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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

		As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015
Investments at fair value through profit or loss				
205,189	Units of Rs 10 each of Axis Liquid Fund-Growth (Previous Year 120,036)	368.9	201.2	206.6
27,532	Units of Rs 1,000 each of Axis Treasury Advantage Fund - Growth (Previous Year Nil)	50.0	-	-
1,098,892	Units of Rs 100 each of Birla Sun Life Cash Plus-Growth-Regular Plan (Previous Year 1,289,410)	286.3	313.0	168.2
10,000,000	Units of Rs 10 each of Birla Sun Life Fixed Term Plan-Series OF (1151 Days)-Growth-Regular Plan (Previous Year Nil)	100.5	-	-
-	Units of Rs 100 each of Birla Sun Life Saving Fund-Growth-Regular Plan (Previous Year 204,874)	-	60.0	70.0
182,440	Units of Rs 1,000 each of DSP Black Rock Liquidity Fund-Institutional Plan-Growth (Previous Year 134,713)	422.9	291.3	-
-	Units of Rs 1,000 each of DSP Black Rock Money Manager Fund-Regular Plan-Growth (Previous Year 24,573)	-	50.0	-
10,000,000	Units of Rs 10 each of DSP Black Rock FMP-Series 204 (37M)-Regular Plan-Growth (Previous Year Nil)	100.7	-	-
139,352	Units of Rs.1,000 each of Franklin India Treasury Management Account-Super Institutional Plan-Growth (Previous Year 179,208)	338.1	405.4	265.8
7,500,000	Units of Rs 10 each of Franklin India Fixed Maturity Plan-Series 1 Plan A - Growth (Previous Year Nil)	75.1	-	-
2,245,728	Units of Rs 10 each of Franklin India Ultra Short Bond Fund - Super Institutional Plan - Growth (Previous Year Nil)	50.0	-	-
140,126	Units of Rs.1,000 each of HDFC Liquid Fund - Growth (Previous Year 135,133)	448.4	403.3	244.9
991,583	Units of Rs. 100 each of ICICI Prudential Liquid Plan-Growth (Previous Year 1,388,093)	238.1	310.7	259.9
10,000,000	Units of Rs 10 each of ICICI Prudential Fixed Maturity Plan-Series 80 - 1245 Days Plan L Cumulative (Previous Year Nil)	100.8	-	-
321,193	Units of Rs. 10 each of ICICI Prudential Flexible Income-Growth (Previous Year 174,690)	100.0	50.0	-
160,001	Units of Rs. 10 each of IDFC Cash Fund -Growth-Regular Plan (Previous Year 155,813)	315.4	286.5	183.5
12,500,000	Units of Rs 10 each of IDFC Fixed Term Plan Series 131 Regular Plan - Growth (Previous Year Nil)	125.2	-	-
179,967	Units of Rs.10 each of JM Basic Fund - Growth (Previous Year 179,967)	5.0	3.5	3.9
4,862,824	Units of Rs.10 each of JM High Liquidity Fund-Growth (Previous Year 8,094,632)	215.7	334.5	260.7
53,415	Units of Rs.1,000 each of Kotak Liquid Regular Plan -Growth (Previous Year Nil)	175.8	-	-
10,000,000	Units of Rs 10 each of Kotak FMP Series 200 Growth (Regular Plan) (Previous Year Nil)	100.6	-	-
1,920,034	Units of Rs 10 each of Kotak Treasury Advantage Fund-Growth (Regular Plan) (Previous Year Nil)	50.0	-	-



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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

	As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015
3,127,737 Units of Rs 10 each of L&T Floating Rate Fund - Growth (Previous Year Nil)	50.0	-	-
13,495 Units of Rs 1,000 each of L&T Liquid Fund - Regular - Growth (Previous Year Nil)	30.0	-	-
52,225 Units of Rs.1,000 each of LIC Nomura Liquid Fund-Growth (Previous Year Nil)	153.5	-	-
- Units of Rs.10 each of L&T Liquid Fund-Growth (Previous Year Nil)	-	-	238.8
66,747 Units of Rs.1,000 each of Reliance Liquid Fund-Treasury Plan-Growth Plan - Growth Option (Previous Year 48,302)	264.0	178.0	206.1
- Units of Rs.10 each of Reliance Money Manager -Growth Plan - Growth Option (Previous Year Nil)	-	-	50.0
7,718,670 Units of Rs.10 each of Reliance Yearly Interval Fund -Series 1 -Direct Plan - Growth Plan (Previous Year 7,718,670)	109.2	101.6	-
- Units of Rs.10 each of Reliance Quarterly Interval Fund -Series II -Direct Growth Plan - Growth Plan (Previous Year 7,326,150)	-	152.1	-
10,000,000 Units of Rs 10 each of Reliance Fixed Horizon Fund - XXXIII- Series 3- Growth Plan (Previous Year Nil)	100.8	-	-
10,000,000 Units of Rs 10 each of Reliance Fixed Horizon Fund - XXXIII- Series 4- Growth Plan (Previous Year Nil)	100.6	-	-
44,592 Units of Rs 1,000 each of Reliance Money Manager Fund - Growth Plan -Growth Option (Previous Year Nil)	100.0	-	-
- Units of Rs.10 each of Religare Invesco Liquid Fund-Growth (Previous Year Nil)	-	-	197.3
124,147 Units of Rs.1,000 each of SBI Premier Liquid Fund-Regular Plan-Growth (Previous Year 132,885)	316.0	315.7	179.3
10,000,000 Units of Rs 10 each of SBI Debt Fund Series - B -49 (1170 Days) - Regular Growth (Previous Year Nil)	100.7	-	-
47,609 Units of Rs 1,000 each of SBI Ultra Short Term Debt Fund - Regular Plan - Growth (Previous Year Nil)	100.0	-	-
418,264 Units of Rs.10 each of Sundaram Infrastructure Advantage Fund- Regular-Dividend (Previous Year 418,264)	11.6	9.3	10.6
72,225 Units of Rs.1,000 each of Tata Liquid Fund-Regular Plan-Growth (Previous Year 110,085)	215.9	307.1	176.5
146,862 Units of Rs.1,000 each of UTI Liquid Cash Plan -Institutional-Growth (Previous Year 65,687)	390.2	162.8	-
10,000,000 Units of Rs 10 each of UTI Fixed Term Income Fund Series - XXVI - V (1160 Days) - Growth Plan (Previous Year Nil)	100.3	-	-
Aggregate Amount of Quoted Investment	5,938.5	4,066.2	2,887.7

- Indicate investments having value in rupees less than Rupees Million.

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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

Note 6 : Loans and Advances

	Non Current			Current		
	As at 31st-March- 2017	As at 31st-March- 2016	As at 1st-April- 2015	As at 31st-March- 2017	As at 31st-March- 2016	As at 1st-April- 2015
(a) Capital Advance	23.6	30.2	8.4	-	-	-
(b) Security Deposits #	42.0	35.0	33.8	-	-	-
(c) Advance recoverable in Cash or Kind	-	-	-	81.3	85.3	21.2
	65.6	65.2	42.2	81.3	85.3	21.2

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

Note 7 : Other Non-Current Assets

	As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015
(a) Advances other than Capital Advances	6.2	0.5	192.9
	6.2	0.5	192.9

Note 8 : Inventories (Valued at lower of cost and net realisable value unless stated)

	As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015
(a) Raw materials	1,029.1	896.5	873.6
(b) Work in progress	1,088.4	839.4	817.7
(c) Finished goods	2,212.3	1,352.1	1,249.4
(d) Traded goods	128.0	53.9	47.4
(e) Stores & Spares	113.7	102.3	84.2
(f) Scraps	48.6	48.8	38.8
Total inventories (at the lower of cost and net realisable value)	4,620.1	3,293.0	3,111.1
Included above, goods-in-transit:			
Raw materials	195.6	159.2	158.9
Finished and semi-finished goods	654.6	200.7	46.7
Total goods-in-transit	850.2	359.9	205.6



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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

Note 9 : Trade Receivables

	As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015
Trade receivables	1,271.9	1,276.5	1,183.7
Receivables from an associate	4.4	5.9	12.2
Receivables from other related parties	0.4	7.1	18.3
Doubtful	(32.8)	(30.3)	(28.1)
	<u>1,243.9</u>	<u>1,259.2</u>	<u>1,186.1</u>
Outstanding for a period exceeding six months from the date they are due for payment			
Secured, considered good			
Unsecured, considered good	255.8	34.4	59.2
Doubtful	32.8	30.3	28.1
	<u>288.6</u>	<u>64.7</u>	<u>87.3</u>
Provision for doubtful receivables	(32.8)	(30.3)	(28.1)
	<u>255.8</u>	<u>34.4</u>	<u>59.2</u>
Other Receivables			
Unsecured, considered good	988.1	1,224.8	1,126.9
	<u>1,243.9</u>	<u>1,259.2</u>	<u>1,186.1</u>

Note 10 : Cash and Cash Equivalent

		As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015
Balances with banks:				
(a) On current accounts		320.8	208.0	213.1
(b) Cash on hand		0.2	0.2	0.4
Total cash and cash equivalent	A	<u>321.0</u>	<u>208.2</u>	<u>213.5</u>
Other Bank Balances				
Balances with Banks:				
(a) Unclaim dividend		16.9	13.1	12.0
(b) On Margin Accounts		3.0	3.0	3.0
(c) Fixed Deposits with maturity greater than 3 months		1,668.0	1,963.0	1,153.0
Total other Bank balances	B	<u>1,687.9</u>	<u>1,979.1</u>	<u>1,168.0</u>
	(A+B)	<u>2,008.9</u>	<u>2,187.3</u>	<u>1,381.5</u>

Fixed deposits are made for varying periods of between one month and twelve months, depending on the immediate cash requirements of the Company, and earn interest at the respective Fixed deposit rates.

At 31st March, 2017, the Company had available Rs. 2000.0 million (31st March, 2016: Rs. 2000.0 million, 1st April, 2015: Rs. 2000.0 million) of undrawn committed borrowing facilities.

Margin money deposit includes Deposit given to Goa Electricity Board Rs.3.0 million , (previous year Rs. 3.0 million).

Please also refer note No. 46 on Specified Bank Note.

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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

Note 11 : Other Current Assets

	As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015
(a) Balances with Government authorities (Other than Income Tax)	236.6	213.5	207.9
(b) Other Advance	203.8	721.5	579.7
	440.4	935.0	787.6

Note 12 : Share Capital

I Authorised Share Capital

	Equity Shares	
	Nos.	(Rs. In Million)
235,000,000 (Previous year 235,000,000) Equity shares of Rs. 2/-each	235,000,000	470.0
15,000,000 (Previous year 15,000,000) Unclassified shares of Rs. 2/- each	15,000,000	30.0
At 1st April 2015	250,000,000	500.0
Increase/(decrease) during the year	-	-
Outstanding At 31st March 2016	250,000,000	500.0
Increase/(decrease) during the year	-	-
Outstanding At 31st March 2017	250,000,000	500.0

II Issued, Subscribed and Paid up Share Capital

	Equity Shares	
	Nos.	(Rs. In Million)
Equity shares of Rs. 2 each issued, subscribed and fully paid		
At 1st April 2015	152,939,345	305.9
At 31st March 2016	152,939,345	305.9
At 31st March 2017	152,939,345	305.9

(a) Reconciliation of Equity Shares at the beginning and at the end of the reporting period.

	As at 31st-March-2017		As at 31st-March-2016	
	No of Shares	(Rs. In Million)	No of Shares	(Rs. In Million)
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.

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

	As at 31st-March-2017		As at 31st-March-2016	
	No of Shares	%	No of Shares	%
Finolex Industries Limited	22,187,075	14.5	22,187,075	14.5
Orbit Electricals Pvt. Limited	46,956,120	30.7	46,956,120	30.7



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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

Note 13 : Other Equity

	As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015
(i) Share Premium	1,091.0	1,091.0	1,091.0
(ii) Capital Reserve	84.1	84.1	84.1
(iii) Debenture Redemption Reserve	-	250.0	250.0
Transfer to General Reserve	-	(250.0)	-
Balance for the end of the year	1,175.1	1,175.1	1,425.1
(iv) General Reserve			
Balance at the beginning of the year	5,523.6	5,279.6	5,087.2
Add : Amount Transferred from Surplus in the Statement of Profit and Loss	-	-	200.0
Add: Transfer from Debenture Redemption Reserve	-	250.0	-
Balance at the end of the year	5,523.6	5,529.6	5,287.2
(v) Retained Earnings			
Surplus in the statement of profit and loss	8,896.2	6,814.6	4,828.0
Less: Appropriations:			
Final Dividend	(382.4)	(275.3)	-
Dividend Distribution Tax	(77.2)	(56.0)	-
Capitalisation of Lease hold land Rent reclassified to other liabilities	-	(5.9)	5.9
Adjustment of earlier deferred tax liabilities	13.7	-	(13.7)
Adjustment of depreciation on capitalised spares FY 15-16	(7.5)	-	-
Retained Earnings	8,442.8	6,477.4	4,820.2
Profit and Loss A/c	3,158.8	2,488.6	1,986.7
Other Comprehensive Income			
A. Items that will not be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit plans	(18.3)	(3.5)	-
Previous Year Adjustment	3.5	-	-
B. Items that will be reclassified to profit or loss			
Gains (losses) on equity instruments designated at FVOCI	56.0	(72.4)	-
Previous Year Adjustment	71.8	-	-
Total	11,714.6	8,890.1	6,806.9
(vi) Share buy back reserve	55.2	55.2	55.2
Total Reserves	18,468.5	15,650.0	13,574.4

Note 14 : Borrowings

Non-current Borrowings	Effective interest rate %	Maturity	As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015
Term Loan					
From Bank Non-current	8.9		-	250.0	500.0
Deffered Sales Tax Loan -Non Current			3.8	7.5	12.1
			-	3.8	257.5
			3.8	257.5	512.1

Notes : Details of Loan

Particulars	Tenor	Rs in Million	Repayment Schedule	Rate of Interest
(a) Rupee Term Loan From Bank	6 years	750	3 equal installments of Rs. 250 million each on .31st Dec 2015, 31st Dec 2016, 31st Dec 2017, Outstanding Rs. Nil million as on 31st March 2017) previous year Rs. 500.0 million) outstanding loan due on 31st Dec 2017 is paid at Jan 2017.	Bank base rate Plus 0.25%
(b) Deferred Sales Tax Loan	-	12.1	Repayable in installments, last installment being on 26th April 2020.	Interst Free

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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

Security

a) Rupee Term Loan from Bank Second / Subservient charge on the block of assets of the plant of Roorkee.

Current Borrowings	Effective interest rate %	Maturity	As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015
Working Capital Loan	8.9	-	-	-	0.3
		-	-	-	0.3

The company has Cash Credit and Packing Credit facilities from banks which are secured by hypothecation of inventories and book debts. Cash Credit is repayable on demand. Interest rate is 12.2 % (previous year 12.3 %). As at the year end, there is no utilisation of this facilities.

Note 15 : Provisions

	Non-Current			Current		
	As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015	As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015
Provision for Employee Benefits						
Gratuity	-	-	4.6	25.0	8.6	20.3
Leave Encashment	60.1	49.1	45.1	18.9	14.1	11.9
	60.1	49.1	49.7	43.9	22.7	32.2
Other Provision						
Maintenance Warranties	-	-	-	6.7	4.8	-
Other Provision-Duties/Taxes	-	-	-	54.8	54.8	54.8
	-	-	-	61.5	59.6	54.8
	60.1	49.1	49.7	105.5	82.2	87.0

Details of Movement in Warranty Provision

	As at 31st-March-2017	As at 31st-March-2016
Balance as on 1st April		-
Arising during the year	1.9	4.8
Balance as on 31st March	6.7	4.8

Note 16 : Other Non-Current Liabilities

	As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015
Retention Money	1.9	4.0	4.1
	1.9	4.0	4.1



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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

Note 17 : Income Tax

Major components of Income Tax expense

Profit or Loss Section

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Current Income Tax:		
Current Income Tax charge	1,159.1	1,033.6
Adjustments in respect of current income tax of previous year	(84.1)	(87.7)
Deferred tax:		
Relating to origination and reversal of temporary differences	(40.6)	(70.6)
Income tax expense reported in the statement of profit or loss	1,034.4	875.3

OCI section

Deferred tax related to items recognised in OCI during in the year

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Unrealised (gain)/loss on FVTOCI equity securities	56.0	(72.3)
Net loss/(gain) on remeasurements of defined benefit plans	(18.3)	(3.5)
Income tax charged to OCI	37.7	(75.8)

Deferred Tax

Deferred Tax relates to the following:	Year Ended 31st March, 2017	Year Ended 31st March, 2016	Year Ended 1st April, 2015
Accelerated depreciation for tax purposes	349.8	343.3	356.2
Employee Benefits	(65.4)	(25.2)	(28.7)
Provision for Doubtful Debt	(10.5)	(10.5)	(9.7)
Provision for diminution in value of investments	(52.5)	(45.6)	-
Others	(32.5)	(18.4)	(3.6)
Deferred tax expense/(income)	188.9	243.6	314.2
Net deferred tax assets/(liabilities)	(188.9)	(243.6)	(314.2)

Reconciliation of deferred tax liabilities (net):

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

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Opening balance as of 1st April	243.6	314.2
Accelerated depreciation for tax purposes	6.5	(12.9)
Employee Benefits	(40.4)	4.0
Provision for Doubtful Debt	-	(0.8)
Provision for diminution in value of investments	(7.0)	(45.6)
Others	(13.8)	(15.3)
Closing balance as at 31st March	188.9	243.6

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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

Note 18 : Trade Payables

	As at 31st-March-2017	As at 31st-March-2016	As at 01st-April-2015
Trade payables	893.1	838.3	478.8
Trade payables to Micro Small & Medium Enterprises (Refer Note No. 33)	6.5	5.3	1.0
Trade payables to related parties	8.5	55.2	52.1
	908.1	898.8	531.9

Note 19 : Other Financial Liabilities

	As at 31st-March-2017	As at 31st-March-2016	As at 01st-April-2015
Expenses Payable	196.4	192.5	8.2
Interest free Deposits form Distributors	8.1	8.5	7.4
Current Maturity of Long term Loan	-	250.0	250.0
Claims Payable	26.9	5.7	15.7
Unpaid Dividend	16.8	13.0	11.9
9.1% 'M' Series Non Convertible Debentures (500 Debentures of Rs 1,000,000 each)	-	-	500.0
Derivative Instruments Liability	2.0	0.6	-
Deffered Sales Tax Loan -Current	3.7	4.6	4.9
Interest payable	-	4.2	6.7
Other Liabilities	958.0	930.1	971.9
	1,211.9	1,409.2	1,776.7

Particulars	Tenor	Rs in Million	Repayment Schedule	int Rate
Debenture- M Series	5 years	500	Lump sum paid on 24th Aug, 2015.	9.10%
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 Ahemdabad and Hyderabad.			

Note 20 : Other Current Liabilities

	As at 31st-March-2017	As at 31st-March-2016	As at 01st-April-2015
Balances Payable to Tax Authorities	16.5	11.4	5.3
Other Statutory Dues Payable	134.6	80.8	90.3
Other Miscellaneous Liabilities	254.5	-	-
	405.6	92.1	95.6

- During the year it was brought to the notice of the Company by the Pune Metropolitan Regional Development Authority ("PMRDA") that plans for construction of plants at Urse location during 2005 thru 2009 were approved by Grampanchayat in place of Town Planning Authority and therefore needs to be regularised by the said authority. The Company is in the process of making appropriate representations to the regulatory authorities to get the aforesaid approvals ratified. However, as a matter of prudence, the company has recognised a provision towards compounding charges of Rs. 254.5 Million included in Other Miscellaneous Liabilities.



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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

Note 21 : Revenue From Operations:

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Sale of Goods	24,217.9	23,435.9
Excise Duty Collected from Customers	2,259.1	2,144.1
(a) Total sale of products (including excise duty)	26,477.0	25,580.0
(b) Other Operating Revenues	230.5	167.3
	<u>26,707.5</u>	<u>25,747.3</u>

Note 22 : Other Income:

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Fair value gain on financial instruments at FVTPL	164.3	3.6
Net gain on disposal of property, plant and equipment	0.8	18.7
Dividend Income	406.4	85.3
Gain on redemption of Current Investment	177.3	255.5
Reversal of provisions on Demunition in value of investment on longer required	-	35.1
Other Income	241.1	243.2
Gain From Exchange difference	12.2	3.0
	<u>1,002.1</u>	<u>644.4</u>

Note 23 : Raw Material and Components Consumed

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Inventory at the beginning of the year	896.5	873.6
Add: Purchases	18,252.2	17,145.2
Less: Inventory at the end of the year	1,029.1	896.5
	<u>18,119.6</u>	<u>17,122.3</u>

Note 24 : Cost of Traded Goods Sold

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Inventory at the beginning of the year	53.9	47.4
Add: Purchases	332.3	218.4
Less: Inventory at the end of the year	128.0	53.9
	<u>258.2</u>	<u>211.8</u>

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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

Note : 25 : (Increase)/Decrease in Inventories

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Inventories at the end of the year (A)		
Work-in-progress	1,088.4	839.4
Finished goods	2,212.3	1,352.1
Stock-in-Trade	128.0	53.9
	<u>3,428.7</u>	<u>2,245.4</u>
Inventories at the beginning of the year (B)		
Work-in-progress	839.4	817.7
Finished goods	1,352.1	1,249.4
Stock-in-Trade	53.9	47.4
	<u>2,245.4</u>	<u>2,114.5</u>
Increase/(Decrease) in Inventories (B)-(A)	<u>(1,183.3)</u>	<u>(130.9)</u>

Note 26 : Employee benefits expenses

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
(a) Salaries, wages and bonus	843.9	758.4
(b) Contribution to provident and other funds	43.6	48.8
(c) Gratuity expense	10.9	9.3
(d) Staff welfare expenses	293.5	255.7
	<u>1,191.9</u>	<u>1,072.2</u>

Note 27 : Depreciation, Amortization and Impairment Expenses

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Depreciation on Tangible assets (note 3)	478.8	579.7
Amortization of Intangible assets (note 4)	1.5	0.2
	<u>480.3</u>	<u>579.9</u>

Note 28 : Finance Costs

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Interest on debts and borrowings	42.9	89.5
	<u>42.9</u>	<u>89.5</u>



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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

Note 29 : Other Expenses

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
(a) Consumption of stores and spares	229.9	212.5
(b) Power and fuel	434.8	424.2
(c) Freight and forwarding charges	416.0	355.1
(d) Rent, Rates and taxes (refer note 1 below)	304.0	35.4
(e) Insurance	10.9	10.6
(f) Repairs and maintenance		
(i) Plant and machinery	23.3	20.3
(ii) Buildings	12.9	8.5
(iii) Others	36.7	64.9
(g) CSR expenditure (refer note below)	15.8	30.0
(h) Advertising and sales promotion	146.3	139.1
(i) Travelling and conveyance	123.4	115.8
(j) Communication costs	11.8	9.1
(k) Legal and professional fees	42.2	62.4
(l) Directors' sitting fees	1.3	1.4
(m) Payment to auditor (Refer details below)	5.6	5.8
(n) Warranty Costs (net of reversal)	2.0	4.8
(o) Allowances for doubtful debts and advances	4.2	3.6
(p) Miscellaneous expenses (refer note 2 below)	207.5	234.3
(q) Provision for Diminution in value of Investments	245.0	194.5
	2,273.6	1,932.3

- During the year it was brought to the notice of the Company by the Pune Metropolitan Regional Development Authority ("PMRDA") that plans for construction of plants at Urse location during 2005 thru 2009 were approved by Grampanchayat in place of Town Planning Authority and therefore needs to be regularised by the said authority. The Company is in the process of making appropriate representations to the regulatory authorities to get the aforesaid approvals ratified. However, as a matter of prudence, the company has recognised a provision towards compounding charges of Rs. 254.5 Million included in Rates & Taxes.
- Include Miscellaneous exp, Donation to Political party Rs. 1.5 million (Previous year Nil)
Bhartiya Janata Party Rs. 1.0 million, India National Congress Rs. 0.5 million.

Payment to Auditors

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
As Auditor:		
Audit fee	4.1	4.1
Tax audit fee	0.8	0.8
Other services (certification fees)	0.5	0.5
Reimbursement of expenses	0.2	0.4
	5.6	5.8

Details of CSR expenditure:

Details given in Annexure J of Director report

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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

Note 30: Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Gain/(loss) on FVTOCI financial assets	56.0	(72.3)
Re-measurement gains (losses) on defined benefit plans	(18.3)	(3.5)
	37.7	(75.8)

Note 31 : Dividend Distributed and Proposed

Under the previous GAAP, proposed dividend including Dividend Distributed Tax (DDT), were recognised as liability in the period to which they related, irrespective of the fact of when they are declared. Under Ind AS, proposed dividend is recognised as liability only after the Shareholders approve the proposal at their General Meeting.

Proposed Dividend, including DDT liability as on April, 1 2015 amounting to Rs. 331.3 million was derecognised on the transaction date with corresponding entries to Retained Earnings. The same has been recognised in Retained Earnings during the year ended March 31, 2016 during which period dividend was declared and paid. Proposed Dividend including DDT liability as on March 31, 2016 amounting to Rs.459.6 million was also derecognised on that date with the corresponding in the retained earning.

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including DDT thereon) as at 31 March 17.

Note 32 : Earnings Per Share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

(Rs. In Million)

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Profit attributable to equity holders		
Continuing operations	3,158.9	2,488.4
Discontinued operation	-	-
Profit attributable to equity holders of the parent for basic earnings	3,158.9	2,488.4
Weighted average number of Equity shares for basic EPS*	152,939,345.0	152,939,345.0
Effect of dilution:		
Share options	-	-
Convertible preference shares	-	-
Weighted average number of Equity shares adjusted for the effect of dilution *	152,939,345.0	152,939,345.0
Basic Earnings per share	20.7	16.3
Diluted Earnings per share	20.7	16.3



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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

Note 33 : Dues to Micro, Small and Medium Enterprises

- (a) Outstanding to suppliers other than Micro and Small Enterprises Rs. 901.9 million (previous year Rs.1,044.7 million)
- (b) Outstanding to Micro and Small enterprises Rs. 6.5 million (previous year Rs. 5.3 million)

Particulars	As at 31st March, 2017	As at 31st March, 2016
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 enterprise	6.5	5.3
Interest due on above	0.8	0.3
	7.3	5.6
Amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006 along with the amounts paid to suppliers beyond the appointed day during each accounting year.	-	-
Amount of interest due and payable for the period of delay in making payment (beyond the appointed day) 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	0.8	0.3

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.

Note 34 : Related Party Transactions (As per Ind AS-24 on Related Party Disclosures Specified under Section 133 of the Companies Act, 2013) :

(a) Key Management Personnel and Relatives

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

(b) Enterprises over which key management Personnel and their relatives exercise significant influence

- Orbit Electrical Private Limited.
- Finolex Infrastructure Limited.
- Magnum Machine Technologies Ltd.
- Finolex Plasson Industries Private Limited.

(c) Individual having significant influence over the Company

- Mr. D.K. Chhabria

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

(d) Related party transactions

Note 34A provides the information about the company's structure including the details of the subsidiaries and the holding company. The following table provides the total amount transaction that have been entered into with related parties for the relevant financial year.

		(Rs. In Million)						
		Sales to related parties	Rent/Dividend / Others/ Deposit	Purchases from related parties	Services & Reimbursement	Investment	Amounts owed by related parties*	Amounts owed to related parties*
Associate:								
Finolex Industries Ltd.								
	31-Mar-17	-	401.9	-	-	-	4.4	6.0
	31-Mar-16	-	80.4	-	-	-	5.9	45.6
	01-Apr-15	2.7	281.3	-	11.9	-	12.2	41.2
Magnum Machine Technologies Ltd.								
	31-Mar-17	-	-	1.3	-	-	-	-
	31-Mar-16	-	-	2.5	-	-	-	-
	01-Apr-15	-	-	0.2	-	-	-	-
Finprop Advisory Services Ltd.								
	31-Mar-17	-	-	-	-	-	-	-
	31-Mar-16	-	-	0.1	-	-	-	-
	01-Apr-15	-	-	-	7.7	-	-	-
Others(Orbit Electricals Pvt Ltd / Finolex Plasson Industries Pvt Ltd/ Mr. P.P. Chhabria)								
	31-Mar-17	-	7.7	-	-	-	-	2.5
	31-Mar-16	0.1	7.2	-	60.1	-	3.2	9.6
	01-Apr-15	0.5	6.7	1.6	30.8	-	0.7	-
Joint venture in which the parent is a venturer:								
Finolex J-Power Systems Pvt. Ltd.								
	31-Mar-17	-	2.3	-	-	196.0	0.4	-
	31-Mar-16	-	-	-	-	232.8	3.6	-
	01-Apr-15	0.4	-	8.1	-	122.5	17.6	-
Corning Finolex Optical Fibre Pvt. Ltd.								
	31-Mar-17	-	-	-	-	-	-	-
	31-Mar-16	-	-	48.6	-	-	0.3	-
	01-Apr-15	-	-	132.0	-	-	-	10.9



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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

	Sales to related parties	Rent/Dividend / Others/ Deposit	Purchases from related parties	Services & Reimbursement	Investment	Amounts owed by related parties*	Amounts owed to related parties*
Key management personnel of the Company:							
Other directors' interests							
31-Mar-17	-	-	-	-	-	-	-
31-Mar-16	-	-	-	-	-	-	-
01-Apr-15	-	-	-	-	-	-	-

* The amounts are classified as trade receivables and trade payables, respectively.

Key management personnel of the Company:

	Mr. D.K.Chhabria	Mr. Mahesh Viswanathan	Mr. R.G. D'Silva
31-Mar-17	102.0	23.8	3.2
31-Mar-16	84.5	19.4	2.6
01-Apr-15	73.3	16.6	2.4

Remuneration to Key Management Personnel

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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

Note 35 : First-time adoption of Ind AS

Reconciliation of Balance Sheet as at 31st March, 2016 and 1st April, 2015

	Note No.	As at 31st March, 2016			As at 1st April, 2015		
		Previous GAAP	Adjustments	As per Ind AS	Previous GAAP	Adjustments	As per Ind AS
I. ASSETS							
NON CURRENT ASSETS							
(a) Property, Plant and Equipment	3	4,257.3	60.1	4,317.4	4,646.5	67.7	4,714.2
(b) Capital Work-in-Progress	3	31.4	-	31.4	66.7	-	66.7
(c) Intangible Assets	4	4.5	-	4.5	4.7	-	4.7
(d) Financial Assets							
i) Investment in an Associate and a Joint Venture	5	2,123.7	-	2,123.7	2,085.4	-	2,085.4
ii) Investments-Non Current Assets	5	758.8	56.0	814.8	950.1	(72.3)	877.7
iii) Loans and Advances	6	65.2	-	65.2	42.2	-	42.2
(e) Other Non-Current Assets	7	0.5	-	0.5	192.9	-	192.9
		<u>7,241.4</u>	<u>116.1</u>	<u>7,357.5</u>	<u>7,988.5</u>	<u>(4.6)</u>	<u>7,983.8</u>
CURRENT ASSETS							
(a) Inventories	8	3,353.0	(60.1)	3,293.0	3,178.7	(67.7)	3,111.0
(b) Financial Assets							
i) Investments	5	3,902.0	164.3	4,066.2	2,884.1	3.6	2,887.7
ii) Trade receivables	9	1,259.2	-	1,259.2	1,186.1	-	1,186.1
iii) Cash and cash equivalents	10	2,187.4	-	2,187.3	1,381.4	-	1,381.4
iv) Loans and advances	6	85.3	-	85.3	21.2	-	21.2
(c) Current Tax Assets (Net)		-	-	-	-	-	-
(d) Other Current Assets	11	935.1	-	935.0	787.7	-	787.6
		<u>11,722.0</u>	<u>104.2</u>	<u>11,826.0</u>	<u>9,439.2</u>	<u>(64.1)</u>	<u>9,375.1</u>
TOTAL ASSETS		18,963.4	220.3	19,183.5	17,427.7	(68.7)	17,358.9
II EQUITY AND LIABILITIES							
EQUITY							
(a) Equity share capital	12	305.9	-	305.9	305.9	-	305.9
(b) Other equity	13	14,964.3	685.2	15,650.0	13,305.9	268.6	13,574.4
		<u>15,270.2</u>	<u>685.2</u>	<u>15,955.9</u>	<u>13,611.8</u>	<u>268.6</u>	<u>13,880.3</u>
LIABILITIES							
NON CURRENT LIABILITIES							
(a) Financial Liabilities							
i) Borrowings	14	257.5	-	257.5	512.1	-	512.1
(b) Provisions	15	49.1	-	49.1	49.7	-	49.7
(c) Deferred tax liabilities (net)	17	243.6	-	243.6	314.2	-	314.2
(d) Other non-current liabilities	16	8.9	(4.9)	4.0	9.6	(5.5)	4.1
		<u>559.1</u>	<u>(4.9)</u>	<u>554.2</u>	<u>885.6</u>	<u>(5.5)</u>	<u>880.1</u>
CURRENT LIABILITIES							
(a) Financial Liabilities							
i) Borrowings	14	-	-	-	0.3	-	0.3
ii) Trade payables	18	899.0	-	898.8	531.9	-	531.9
iii) Other Financial Liabilities	19	1,409.8	(0.5)	1,409.2	1,777.4	(0.5)	1,776.7
(b) Liabilities for current tax (net)		191.1	-	191.1	107.0	-	107.0
(c) Provisions	15	541.8	(459.6)	82.2	418.3	(331.3)	87.0
(d) Other Current Liabilities	20	92.4	-	92.1	95.4	-	95.6
		<u>3,134.1</u>	<u>(460.1)</u>	<u>2,673.4</u>	<u>2,930.3</u>	<u>(331.8)</u>	<u>2,598.5</u>
		<u>3,693.2</u>	<u>(465.0)</u>	<u>3,227.6</u>	<u>3,815.9</u>	<u>(337.3)</u>	<u>3,478.6</u>
TOTAL EQUITY AND LIABILITIES		18,963.4	220.3	19,183.5	17,427.7	(68.7)	17,358.9



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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

Reconciliation of total comprehensive income for the year ended 31st March, 2016

(Rs. In Million)

Reconciliation of Profit between Ind As and Previous GAAP	Year Ended 31st March, 2016
Net profit as per previous Indian GAAP	2,488.4
Fair value gain on financial instruments at FVTPL	3.5
Depreciation on capitalisation of spares	(7.5)
Employee benefit expenses	3.5
Goa Lease rent amortised on transition date	0.4
Net Profit before OCI as per Ind AS	2,488.3

Ind-AS effects:

(1) Proposed Dividend

Under Previous GAAP, proposed dividends including Dividend Distribution Tax (DDT) are recognised as a liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, proposed dividend is recognised as a liability in the period in which it is declared by the company (usually when approved by shareholders in a general meeting) or paid.

In the case of the Company, the declaration of dividend for March 15 had occurred after period end. Therefore, the liability of Rs. 331.3 million for the year ended on March 31, 2015 and Rs 459.6 million as on March 31, 2016 recorded for dividend has been reversed with corresponding adjustment to retained earnings. Correspondingly, total equity increased by this amount.

(2) Fair value adjustments on investments

Current investments: Under Previous GAAP, current investments in equity instruments such as mutual funds and government securities are recognized at cost or net realizable value, whichever is lower. Long-term investments in equity instruments are recorded at cost unless there is an other than temporary decline in the value of investments.

The Company holds investment in equity shares. The fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in Other Comprehensive Income for the year ended 31st March, 2016. This resulted a decrease in retained earnings as at 1st April 2015 by Rs 72.3 million, increase in 31st March 2016 by Rs 56 million

(3) Deferred Tax

The various transitional adjustments have led to temporary differences and accordingly, the Company has accounted for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

(4) Actuarial loss transferred to Other Comprehensive Income

Under Ind AS, re-measurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of statement of profit and loss. As a result of this change, the profit for the year ended 31st March 2017 has decreased by Rs. 18.3 million. There is no impact on total equity.

(5) Other Comprehensive Income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit and loss but are shown in the Statement of profit and loss as 'other comprehensive income' includes re-measurements of defined benefit plans and net gain on cash flow hedge. The concept of other comprehensive income did not exist under the Previous GAAP.

(6) Spares Capitalised

Spares worth Rs. 75.2 million having useful life of more than one year were capitalized as property, plant and equipment. The average useful life of such spares was assessed to be 10 years, in-line with the balance average useful life of plant and machinery where such spares will be used.

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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

Note 36 : Corporate Social Responsibility Expenses (CSR)

During the year, the company has incurred an expenditure of Rs. 15.8 Million towards Corporate Social Responsibilities (CSR) activities. Please refer to Annexure-J for details.

Note 37 : Foreign Currency related disclosures

(a) Unhedged foreign currency exposures:

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Trade Payable	68.8	89.2
Trade Receivables	24.5	23.2

(b) The company has hedged exposures in respect of creditors by way of forward covers which were mostly USD-INR contracts. Forward covers to the extent of Rs. 174.9 million (previous year Rs. 35.3 million) were outstanding as at the year-end.

Note 38 : Raw Material Consumed

	Year Ended 31st March, 2017		Year Ended 31st March, 2016	
	Qty (MT)	Rs. In Million	Qty (MT)	Rs. In Million
Copper	33,827.6	13,460.8	30,973	12,594.1
PVC	25,019.5	1,798.5	23,908	1,674.1
Polythene	4,939.4	508.6	5,636	582.4
Preform	36.0	361.9	29	304.8
Others*	-	2,322.1		2,185.3
		<u>18,451.9</u>		<u>17,340.7</u>

* Includes Purchase of Traded Goods Rs. 332.3 million (previous year Rs. 218.2 million.)

Note 39 : CIF Value of Imports

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Raw Material	1,851.2	1,722.0
Spares and Components	14.9	27.2
Capital Goods	2,005.1	6.8
	<u>3,871.2</u>	<u>1,756.0</u>

Note 40 : Consumption of Raw Material

	Year Ended 31st March, 2017		Year Ended 31st March, 2016	
	%	Rs. In Million	%	Rs. In Million
Imported	8.9	1,636.0	10.4	1,742.6
Indigenous	91.1	16,815.9	89.6	15,598.1
	<u>100.0</u>	<u>18,451.9</u>	<u>100.0</u>	<u>17,340.7</u>



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Cables Limited

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

Note 41 : Consumption of Stores and Spares

	Year Ended 31st March, 2017		Year Ended 31st March, 2016	
	%	Rs. In Million	%	Rs. In Million
Imported	10.5	24.1	8.6	18.3
Indigenous	89.5	205.8	91.4	194.2
	100.0	229.9	100.0	212.5

Note 42 : Expenditure in Foreign Currency

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Travelling	0.6	2.0
Interest	-	-
Export Sales Commission	-	1.6
Bank Charges	1.5	-
Professional Fees	1.3	1.3
Others	1.8	1.9
	5.2	6.8

Note 43 : Earnings in Foreign Currency : (on accrual basis)

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
FOB Value of Export	316.1	416.5

Note 44 : Dividends Remitted in foreign Currency :

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Number of Share holders	1	1
Number of Share held	6,011,550	6,033,825
Year to which dividend relates	Mar-16	Mar-15
Amount remitted (Net of tax deducted at source) (Rs. In Million)	15.0	10.9

Note 45 : Contingent Liabilities and Commitments

(a) Contingent Liabilities

Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
I Disputed Tax Matters		
Excise	200.5	188.2
Customs	13.4	13.4
Sales Tax	790.9	736.0
Income Tax	74.4	51.2
Appeals preferred by the authorities against Appellate decisions in favour of the Company		
Income Tax	66.6	66.6

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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

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.)	1,104.8	865.1
III The Company has procured capital goods under zero duty EPCG scheme under Foreign Trade Policy. The Policy allows Import of capital goods at zero duty subject to an export obligation of six times of duty saved on capital goods Imported under the policy to be fulfilled in six year are reckoned from authorization issue date. As at March 31, 2017, the export obligation amounting Rs. 329.2 million (previous year Rs. 123.6 million) has not been fulfilled by the Company and hence as per Para 5.8 of the policy, the Company may have to pay the duty saving amount to Rs. 54.9 million (previous year Rs. 20.6 million) along with interest @ 18 % p.a. of such duty saved with in the period of three months from the end of stipulated time to fulfill such export obligation (most of which are due within 12 month from Balance Sheet date). In the regards, the Company has obtained extension of further 2 years from Director General of Foreign Trade. Accordingly no provision has been considered in the financial statement and the liabilities are assessed by the management as contingent in nature.	54.9	20.6

(b) Commitment

- (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 fulfill quantified export against which future obligation aggregated to Rs. 1047.9 million (previous year Rs. 1047.9 million) which is to be discharges over a period of six / eight years from the date of licence this includes amount of Rs. 329.20 million, refer to note 45 (a)(iii) above.

Note 46 : Specified Bank Notes details:

	SBNs		Other denomination notes		Total	
	Denomination	Amount	Denomination	Amount	Denomination	Amount
Closing Balance as at 8th November 2016	1,000 x 18 500 x 429	232,500	100 x 905 50 x 203 20 x 215 10 x 1,141 Coins 322	116,682	1000 x 18 500 x 429 100 x 905 50 x 203 20 x 215 10 x 1,141 COINS 322	349,182
Transactions between 9th November 2016 and 30th December 2016						
Add: Withdrawal from Bank accounts				580,000		580,000
Add: Receipts for permitted transactions	1,000 x 10 500 x 29	24,500		149,874		174,374
Add : Receipts for non-permitted transactions (if any) [Refer reporting scenario 6]						
Less : Paid for permitted transactions	500 x 22	(11,000)		533,763		(544,763)
Less : Paid for non-permitted transactions (if any) [Refer reporting scenario 6]						
Less: Deposited in bank accounts	1,000 x 28 500 x 436	(246,000)		2,000		(248,000)
Closing balance as at 30th December 2016		-		310,793	2000 x 17 500 x 103 100 x 532 50 x 73 10 x 526 COINS-319	310,793



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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

Note 47 : 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.

1. Electrical Cables
2. Communication Cables
3. Copper Rods
4. Others

The above business segments have been identified considering

1. The nature of the product/services
2. The Related risks and returns
3. The Internal financial reporting systems

Revenues 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 segment on a reasonable basis have been included under "Unallocable Assets / Liabilities".

A. Primary Segment information for the year ended 31 March, 2017

	Electricable Cables		Communication cables		Copper Rod		Others		Elimination/ Unallocable		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
REVENUE												
External	21,778.0	20,940.3	3,685.1	3,454.8	830.4	965.2	413.9	386.8	-	-	26,707.5	25,747.3
Inter-segment (Net of Excise)	-	-	468.7	421.0	4,304.6	4,455.1	-	-	(4,773.3)	(4,876.1)	-	-
Less : Excise Duty	1,194.3	1,101.2	448.6	398.6	610.9	635.0	5.3	9.3	-	-	2,259.1	2,144.1
Total Revenue	20,583.7	19,839.1	3,705.2	3,477.2	4,524.1	4,785.3	408.6	377.5	(4,773.3)	(4,876.1)	24,448.4	23,603.2
RESULTS												
Segment Results	4,190.7	3,311.9	333.6	400.9	16.3	18.1	(158.1)	(86.0)	-	-	4,382.5	3,644.9
Other Unallocable expenditure (net)	-	-	-	-	-	-	-	-	-	-	146.3	191.6
Interst Expenditure	-	-	-	-	-	-	-	-	-	-	42.9	89.4
Profit before Taxes	-	-	-	-	-	-	-	-	-	-	4,193.2	3,363.9
Provision for Taxation	-	-	-	-	-	-	-	-	-	-	1,034.4	875.3
Profit after Tax	-	-	-	-	-	-	-	-	-	-	3,158.8	2,488.6
OTHER INFORMATION												
Segment Assets	8,448.9	8,180.7	1,197.0	1,029.4	317.5	127.8	1,287.7	1,104.8	10,409.1	8,740.7	21,660.2	19,183.5
Segment Liabilities	2,410.6	2,635.0	400.9	477.8	34.9	67.1	39.3	47.7	-	-	2,885.8	3,227.6
Capital Expenditure	166.9	4.8	23.6	78.8	6.3	-	113.1	64.8	-	-	309.9	148.4
Depreciation	403.1	426.2	60.7	37.4	0.2	0.2	16.4	116.2	-	-	480.3	579.9

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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

B. Secondary Segment information (by Geographical Segment)

Particulars	(Rs. In Million)	
	Year ended 31st March, 2017	Year ended 31st March, 2016
REVENUE (Net of Excise)		
Exports	316.1	416.5
Domestic	26,391.4	25,330.8
Total	26,707.5	25,747.3
TRADE RECEIVABLES		
Exports	24.5	-
Domestic	1,219.4	1,259.2
Total	1,243.9	1,259.2

Note :

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

Note 48 : Disclosure as per Accounting Standard Ind AS 19

The following table sets out the status of Gratuity Plans as required under Ind AS 19.

Statement showing changes in Present Value of obligations as on 31st March 2017	As at 31st March, 2017	As at 31st March, 2016
Present value of obligations at the beginning of the year	136.1	121.6
Interest Cost	11.0	9.7
Current service cost	10.1	9.1
Benefits paid from the Fund	(13.1)	(9.5)
Actuarial (gain)/loss on obligations	18.5	5.2
P.V. of obligations as at end of year	162.6	136.1
Table showing changes in the fair value of plan assets as on 31st March 2017		
Fair value of plan assets at the beginning of the year	126.5	95.6
Expected return on plan assets	10.2	7.6
Contributions	12.8	31.0
Benefits paid	(13.1)	(9.5)
Return on Plan Assets, Excluding Interest Income	0.2	1.8
Fair value of plan asset at end of year	136.5	126.5
Funded status	100.0%	100.0%
Actuarial Gain/Loss recognised		
Actuarial gain/(Loss) for the year - obligation	(18.5)	(5.2)
Actuarial gain/(Loss) for the year - plan assets	0.2	1.8
Total gain/(Loss) for the year	(18.3)	(3.5)
Actuarial gain/(Loss) recognised in the year	(18.3)	(3.5)



Finolex

Cables Limited

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

(Rs. In million)

Amounts to be recognised in the Balance Sheet		
Present Value of obligations as at the end of the year	162.6	136.1
Fair value of plan assets as at the end of the year	136.5	126.5
Funded Status	(26.0)	(9.6)
Net Asset/(Liability) recognised in balance sheet	(26.0)	(9.6)

Expenses Recognised in statement of Profit & Loss Account

Current Service Cost	10.1	9.1
Interest Cost	0.8	9.7
Expected return on plan assets	-	(7.6)
Net Actuarial(gain)/Loss recognised in the year	-	3.5
Expenses recognised in Notes	10.9	14.6

Table showing administration of Plan Assets

Administered by LIC	136.5	126.5
Total	136.5	126.5

Actuarial Assumptions:

Discounted Rate	7.2%	8.1%
Rate on return on assets	7.2%	8.1%
Salary escalation	7.0%	7.0%
Attrition rate	15.0%	15.0%
Mortality	Indian Assured Lives Mortality (2006-08)Ultimate	

	As on 31st March				
	2017	2016	2015	2014	2013
Experience adjustments					
On plan liability gain/(loss)	(18.5)	(5.2)	(17.5)	4.6	(5.9)
On plan asset gain/(loss)	0.1	1.8	(0.4)	(1.0)	0.3

As per actuarial valuation report, Expected employer's contribution in next year is Rs. 26.02 million (previous year Rs. 9.62 million)

Privileged Leave (Compensated absence for employee):

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

As at 31st March, 2017	
Opening balance of compensated absences (a)	63.2
Present value of compensated absences as at the year end (b)	78.9
(Excess)Unfunded liability of Compensated Absences recognised in Statement of Profit and Loss for the year (b-a)	(15.7)
Add Company share of present of compensated absence as at the year end of Finolex J-Power System Private Limited (c)	-
Total Present Value of Compensated absences as at the year end (d=b+c)	78.9

The privileged leave liability is not funded

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Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2017

Note 49 : 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 & Co.
Chartered Accountants
Firm Registration No. 105102W

Ravi Kapoor
Partner
Membership No. 040404
Pune: 30th May 2017

For and on behalf of Board of directors **Finolex Cable Ltd.**

S. K. Asher
P. R. Rathi
P. G. Pawar
A. J. Engineer
Namita Thapar

R.G.D'Silva
Company Secretary & President (Legal)
Pune: 30th May 2017

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



Finolex Cables Limited

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Members of Finolex Cables Limited

Report on the Consolidated Ind AS financial Statements

1. We have audited the accompanying consolidated Ind AS financial statements of Finolex Cables Limited (hereinafter referred to as "the Company") and its investment in two joint venture entities and an associate company (collectively referred to as "the Group"), comprising the consolidated balance sheet as at March 31, 2017, the consolidated statement of profit and loss (including other comprehensive income), the consolidated cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS financial Statements

2. The Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated Ind AS financial position, consolidated Ind AS financial performance (including other comprehensive income) and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The respective Board of Directors of the two joint venture entities and an associate company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the directors of the Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit.
4. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
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 consolidated Ind AS 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 consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 consolidated Ind AS 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 an adequate internal Financial controls system over Financial reporting in place 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 Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.
7. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors referred in the other matter paragraph below, the aforesaid consolidated Ind AS 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 consolidated state of affairs of the Company and of two joint venture entities and an associate company as at March 31, 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matter

9. We did not audit the Ind AS financial statements of the two joint venture entities included in the consolidated Ind AS financial results, whose Ind AS financial statements reflect the Company's share of net loss (before consolidation adjustments) of Rs.124.1 Million for the year ended March 31, 2017, and an associate company whose Ind AS financial statements reflect the Company's share of profit (before consolidation adjustments) of Rs. 2,829.7 Million for the year ended March 31, 2017, which has been considered in the consolidated Ind AS financial statement.

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The Ind AS financial statements of two joint venture entities and the associate company have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated Ind AS financial results for the year ended March 31, 2017, in so far as it relates to the amounts and disclosures included in respect of the two joint venture entities and the associate company, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid joint venture entities and associate company, is based solely on the reports of such auditors.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

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 purposes of our audit of the aforesaid consolidated Ind AS financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The consolidated Balance Sheet, the Consolidated Statement of Profit and Loss(including Other Comprehensive Income), and the Consolidated Cash Flow statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- d) In our opinion, the aforesaid consolidated Ind AS 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 the written representations received from the directors of the Company as on March 31, 2017 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of two joint venture entities and an associate company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and two joint venture entities and an associate company and the operating effectiveness of such controls, refer our separate report in Annexure I.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated Ind AS financial position of the Group – Refer Note45 (a)to the consolidated Ind AS financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and two joint venture entities and an associate company incorporated in India.
 - iv. The Company has provided requisite disclosures in the consolidated Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated 8th November 2016 of Ministry of Finance during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with books of account maintained by the company and as produced by to us by the Management.

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

Ravi Kapoor
Partner
Membership No.:040404

Pune, May 30, 2017



Finolex

Cables Limited

ANNEXURE-I TO THE INDEPENDENT AUDITR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENT

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Finolex Cables Limited as of and for the ended March 31, 2017, we have audited the internal financial controls over financial reporting of Finolex Cables Limited (hereinafter referred to as "the Company"), two joint venture entities and an associate company, as of that date.

Management's Responsibility for Internal Financial controls

The respective Board of Directors of the of the Company and two joint venture entities and an associate company, are responsible for establishing and maintaining internal financial controls based on the internal control over Financial reporting criteria established by the Company considering the essential components of internal control sated in the Guidance Note on Audit of Internal Financial controls Over Financial reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal Financial controls that operate effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable Ind AS financial information, as required under the Companies Act, 2013 ("the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial controls Over Financial reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10)of the Companies Act, 2013, to the extent applicable to an audit of internal Financial controls, both applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial controls Over Financial reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and is positions of the assets of the company;(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial controls over Financial Reporting

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

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Opinion

In our opinion, the Company and two joint venture entities and an associate company and, in all material respects, an adequate internal Financial controls system over Financial reporting and such internal Financial controls over Financial reporting were operating effectively as at 31 March 2017, based on the internal control over Financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial controls Over Financial reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the two joint venture entities and an associate, is based on the corresponding reports of the auditors of such companies.

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

Ravi Kapoor
Partner
Membership No.: 040404

Pune, May 30, 2017



Finolex

Cables Limited

Consolidated Balance Sheet as at 31st March, 2017

(Rs. In Million)

	Note No.	As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015
I ASSETS				
NON CURRENT ASSETS				
(a)	3	4,136.7	4,317.4	4,714.2
(b)	3	81.5	31.4	66.7
(c)	4	12.0	4.5	4.7
(d)				-
i)	5	4,709.1	3,927.4	3,099.1
ii)	5	945.5	814.8	877.7
iii)	6	65.6	65.2	42.2
(e)	7	6.2	0.5	192.9
		<u>9,956.6</u>	<u>9,161.2</u>	<u>8,997.5</u>
CURRENT ASSETS				
(a)	8	4,620.1	3,293.0	3,111.1
(b)				
i)	5	5,938.5	4,066.2	2,887.7
ii)	9	1,243.9	1,259.2	1,186.1
iii)	10	2,008.9	2,187.3	1,381.4
iv)	6	81.3	85.3	21.2
(c)		4.9	-	-
(d)	11	440.4	935.0	787.6
		<u>14,338.0</u>	<u>11,826.0</u>	<u>9,375.1</u>
		<u>24,294.6</u>	<u>20,987.2</u>	<u>18,372.6</u>
TOTAL ASSETS				
II EQUITY AND LIABILITIES				
EQUITY				
(a)	12	305.9	305.9	305.9
(b)	13	21,102.9	17,453.8	14,588.1
		<u>21,408.8</u>	<u>17,759.7</u>	<u>14,894.0</u>
LIABILITIES				
NON CURRENT LIABILITIES				
(a)				
i)	14	3.8	257.5	512.1
(b)	15	60.1	49.1	49.7
(c)	17	188.9	243.6	314.2
(d)	16	1.9	4.0	4.1
		<u>254.7</u>	<u>554.2</u>	<u>880.1</u>
CURRENT LIABILITIES				
(a)				
(i)	14	-	-	0.3
(ii)	18	908.1	898.8	531.9
(iii)	19	1,211.9	1,409.2	1,776.7
(b)		-	191.1	107.0
(c)	15	105.5	82.2	87.0
(d)	20	405.6	92.1	95.6
		<u>2,631.1</u>	<u>2,673.4</u>	<u>2,598.5</u>
		<u>2,885.8</u>	<u>3,227.6</u>	<u>3,478.6</u>
		<u>24,294.6</u>	<u>20,987.2</u>	<u>18,372.6</u>
TOTAL EQUITY AND LIABILITIES				

Notes

The notes are an integral part of the financial statements 33 to 49

As per our report of even date

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Ravi Kapoor
Partner
Membership No. 040404
Pune: 30th May 2017

For and on behalf of Board of directors **Finolex Cable Ltd.**

S. K. Asher
P. R. Rathi
P. G. Pawar
A. J. Engineer
Namita Thapar

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

Pune: 30th May 2017

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

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Consolidated Statement of Profit and Loss for the year ended 31st March, 2017

(Rs. In Million)

CONTINUING OPERATIONS	Note No.	Year Ended 31st March, 2017	Year Ended 31st March, 2016
I Revenue from operations	21	26,707.5	25,747.3
II Other income	22	593.5	561.3
III Total income		27,301.0	26,308.6
IV EXPENSES			
(a) Cost of raw material and components consumed	23	18,119.6	17,122.3
(b) Purchase of traded goods	24	332.3	218.4
(c) (Increase)/decrease in inventories of finished goods,work-in-progress and traded goods	25	(1,183.3)	(130.9)
(d) Excise duty	21	2,259.1	2,144.1
(e) Employee benefits expense	26	1,191.9	1,072.2
(f) Depreciation and amortization expense	27	480.3	579.9
(g) Finance Costs	28	42.9	89.5
(h) Other Expenses	29	2,028.6	1,737.8
Total Expense (IV)		23,271.4	22,833.3
V Profit/(loss) before Exceptional items and Tax		4,029.6	3,475.3
Share of (profit)/loss of an associate and a joint venture		1,007.3	686.9
VI Exceptional items		-	-
VII Profit/(loss) after Exceptional items before Tax		5,036.9	4,162.2
VIII Tax Expense			
(a) Current tax		1,159.1	1,033.6
(b) Adjustment of tax relating to earlier periods		(84.1)	(87.7)
(c) Deferred tax		(40.6)	(70.6)
Total Tax (VIII)	17	1,034.4	875.3
IX Profit after Tax from continuing operations		4,002.5	3,286.9
X Profit/(loss) for the year		4,002.5	3,286.9
XI Other comprehensive income			
A. Items that will not be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit plans	30	(20.8)	(4.3)
B. Items that will be reclassified to profit or loss			
Net (loss)/gain on FVTOCI Equity Securities	30	45.5	(79.7)
XII Total comprehensive income for the year		4,027.2	3,202.9
XIII Earnings per equity share of face value of Rs. 2 each (for continuing operation)			
(i) Basic	32	26.2	21.5
(ii) Diluted	32	26.2	21.5

Notes

The notes are an integral part of the financial statements

33 to 49

As per our report of even date

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Ravi Kapoor
Partner
Membership No. 040404
Pune: 30th May 2017

For and on behalf of Board of directors **Finolex Cable Ltd.**

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P. R. Rathi
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Company Secretary & President (Legal)
Pune: 30th May 2017

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



Finolex

Cables Limited

Statement of Changes in Equity for the year ended 31st March, 2017

(Rs. in Million)

A) Equity Share Capital

Particulars	Nos.	Amount
As at 1st April, 2015	152939345	305.9
As at 31st March, 2016	152939345	305.9
As at 31st March, 2017	152939345	305.9

B) Other Equity-Change for the year 2015-16 & 2016-17

Particulars	Capital Reserve	Reserve and surplus Securities Premium Reserve	General Reserve	Other Reserve	Retained Earnings	Other Comprehensive Income	Total
As at 1st April, 2015	84.1	1,091.0	5,279.6	305.2	7,828.3		14,588.1
Profit for the year 2015-16					3,286.9		3,286.9
Other comprehensive income for the year							
Remeasurements gains/(loss) on defined benefit Plans.						(4.3)	(4.3)
Net (loss)/gain on FVTOCI Equity Investments						(79.7)	(79.7)
Dividends							
Final Dividend					(275.3)		(275.3)
Dividend Distribution Tax					(56.0)		(56.0)
Transfer from Debenture Redemption Reserve to General Reserve			250.0	(250.0)			-
Capitalisation of Lease hold land Rent reclassified to other liabilities					(6.0)		(6.0)
As at 31st March, 2016	84.1	1,091.0	5,529.6	55.2	10,777.9	(84.0)	17,453.8
Profit for the year 2016-17					4,002.5		4,002.5
Other comprehensive income for the year							
Remeasurements gains/(loss) on defined benefit Plans.						(20.8)	(20.8)
Previous Year Adjustment						3.5	3.5
Net (loss)/gain on FVTOCI Equity Investments						45.5	45.5
Previous Year Adjustment						72.2	72.2
Dividends							
Final Dividend					(382.4)		(382.4)
Dividend Distribution Tax					(77.2)		(77.2)
Adjustment of earlier deferred tax liabilities					13.7		13.7
Adjustment of depreciation on capitalised spares FY 15-16					(7.5)		(7.5)
As at 31st March, 2017	84.1	1,091.0	5,529.6	55.2	14,326.7	16.6	21,102.9

As per our report of even date

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Ravi Kapoor
Partner
Membership No. 040404
Pune: 30th May 2017

For and on behalf of Board of directors **Finolex Cable Ltd.**

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Annual Report 2016-17

Cash Flow Statement for the year ended 31st March, 2017

(Rs. in Million)

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Cash flows from Operating activities		
Profit before tax for the year	5,036.9	4,162.2
Adjustments for:		
Finance costs recognised in Profit or Loss	42.9	89.5
Investment income recognised in Profit or Loss	(4.4)	(3.2)
(Profit) / Loss on sales assets	(0.8)	(18.7)
Interest Income	(140.6)	(117.3)
Depreciation and Amortisation	480.3	579.9
Impairment of non-current Investment	-	-
	5,414.3	4,692.3
Movements in working capital:		
(Increase)/decrease in Trade and Other Receivable	15.3	(73.1)
(Increase)/decrease in Inventories	(1,327.1)	(181.9)
(Increase)/decrease in Other Assets	487.5	(42.0)
(Increase)/decrease in Trade and Other Payables	(39.2)	(96.4)
(Increase)/decrease in Provision	288.6	(5.3)
(Increase)/decrease in Other Liabilities	(130.7)	(198.3)
	(705.6)	(596.9)
Cash generated from operation	4,708.7	4,095.3
Income Tax Paid	(1,190.0)	(701.3)
Net cash generated from operating activities	3,518.7	3,394.1
Cash flow from Investing Activities		
Proceeds from sale of Investment	21,061.0	16,191.1
Other Dividends Received	4.4	3.2
Interest Income	140.6	117.3
Payments to acquire Investments	(23,845.7)	(18,135.0)
Payments for Property, Plant and Equipment	(356.3)	(128.9)
Investment in Joint Venture		
Net cash (used in) generated by investing activities	(2,996.0)	(1,952.3)
Cash flow from financing activities		
Repayments of Borrowings	(253.7)	(254.9)
Interest paid	(42.9)	(89.5)
Dividends paid on equity shares (including dividend distribution tax)	(404.7)	(291.4)
Net cash (used in) for financing activities	(701.3)	(635.7)
Net increase in cash and cash equivalents	(178.5)	806.0
Cash and cash equivalents at the beginning of the year	2,187.4	1,381.3
Cash and cash equivalents at the end of the year	2,008.9	2,187.3
Total Cash and Cash Equivalents as per Balance Sheet	2,008.9	2,187.3
Total Cash and Cash Equivalents as per Statement of Cash Flow	2,008.9	2,187.3

As per our report of even date

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Ravi Kapoor
Partner
Membership No. 040404
Pune: 30th May 2017

For and on behalf of Board of directors **Finolex Cable Ltd.**

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Company Secretary & President (Legal)

Pune: 30th May 2017

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



Finolex

Cables Limited

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2017

1. Corporate information

The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges (i.e. BSE & NSE) in India. The registered office of the Company is located at 26/27, Mumbai-Pune Road, Pimpri, Pune 411018 (India). The Company is principally engaged in the manufacturing of Electricals Cables, Communication Cables & other electrical appliances

These Consolidated Financial Statements for the year end 31st March, 2017 were approved for issue by the Board of Directors in accordance with their resolution dated 30th May, 2017.

2. Summary of Significant Accounting Policies

2.1 Basis of preparation & presentation

The consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 on February 16, 2015. For all periods up to and including the year ended 31st March 2016, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP) and Companies (Accounting Standards) Rules, 2006. These financial statements for the year ended 31st March 2017 are the first that the Company has prepared in accordance with Ind AS. The financial statements have been prepared on a historical cost basis, except for derivative financial instruments and certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The financial statements are presented in INR and all values are rounded to the nearest Million in single digit, except where otherwise indicated.

Following are the entities considered in the consolidated financial statement:

Name of Entity	Nature	Place of Incorporation	Proportion of ownership interest as at 31st March 2017
Finolex J-Power Systems Pvt. Ltd.	Joint Venture	India	49%
Corning Finolex Optical Fibre Pvt. Ltd.	Joint Venture	India	50%
Finolex Industries Ltd.	Associate	India	32.39%

2.2 Consolidation principles

The consolidated financial statements comprise the financial statements of the Company and its Associate & Joint Ventures as at 31st, March 2017.

An Associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A Joint Venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in Other Comprehensive Income (OCI) of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal

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Notes to Consolidated Financial Statements as at and for the year ended 31st March 2017

or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss. The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

2.3 Other Significant Accounting Policies

These are set out under "Significant Accounting Policies" as given in the Company's standalone financial statements.



Finolex

Cables Limited

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

Note 3 : Property, Plant and Equipment

	Land	Lease Hold Land	Buildings	Plant and equipment	Furniture & Fittings	Office Equipment	Computers, Peripherals	Vehicles	Dies & Moulds	Total	CWIP
I. Gross Carrying Amount											
Balance as at 1st April 2016	138.8	153.0	1,673.4	2,776.1	22.1	14.1	29.6	49.1	6.5	4,862.8	
Additions	-	-	1.3	292.6	0.8	7.3	(5.3)	-	2.2	299.0	
Disposals	-	-	-	(6.5)	-	-	(0.8)	(0.7)	-	(8.0)	
Exchange differences	-	-	-	-	-	-	-	-	-	-	
As on 31st March 2017	138.8	153.0	1,674.7	3,062.2	22.9	21.5	23.5	48.4	8.7	5,153.8	
II. Accumulated Depreciation & Impairment											
Balance as at 1st April 2016	-	1.7	69.0	470.8	1.1	3.5	0.1	2.5	(3.3)	545.5	
Depreciation expenses for the year	-	1.7	68.4	385.1	3.8	3.1	6.7	7.3	2.8	478.8	
Impairment	-	-	-	53.0	-	-	-	-	-	53.0	
Disposals	-	(0.1)	-	(59.0)	-	4.7	(6.1)	(0.01)	-	(60.5)	
Balance as at 31st March 2017	-	3.3	137.6	849.9	4.9	11.3	0.8	9.7	(0.5)	1,017.1	81.5
III. Net Carrying Amount	138.8	149.7	1,537.1	2,212.3	18.0	10.2	22.7	38.7	9.2	4,136.7	81.5
I. Gross carrying Amount											
At 1st April 2015	114.7	153.0	1,673.0	2,678.6	22.9	14.4	13.9	38.1	5.6	4,714.2	66.7
Additions	24.6	-	0.4	111.1	2.9	2.0	22.0	16.3	7.6	186.9	
Deduction/Adjustment	-	-	-	15.5	-	-	-	-	-	15.5	
Disposals	(0.5)	-	-	(29.1)	(3.7)	(2.3)	(6.2)	(5.3)	(6.7)	(53.8)	
Exchange differences	-	-	-	-	-	-	-	-	-	-	
At 31st March 2016	138.8	153.0	1,673.4	2,776.1	22.1	14.1	29.7	49.1	6.5	4,862.8	66.7
II. Accumulated Depreciation and impairment											
Balance as at 1st April 2015											
Depreciation expenses for the year		1.7	69.0	483.2	4.3	5.7	6.0	7.5	2.3	579.7	
Impairment		-	-	53.0	-	-	-	-	-	53.0	
Disposals		-	-	(65.4)	(3.2)	(2.1)	(5.9)	(4.9)	(5.6)	(87.2)	
Balance as at 31st March 2016		1.7	69.0	470.8	1.1	3.5	0.1	2.5	(3.3)	545.6	31.4
III. Net carrying Amount	138.8	151.3	1,604.5	2,305.3	20.9	10.6	29.5	46.6	9.8	4,317.4	31.4

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Annual Report 2016-17

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2017

(Rs. In Million)

Note 4 : Intangible Assets

	Computer Software
I. Gross Carrying Amount	
Balance as at 1st April, 2016	4.7
Additions	10.5
Disposals	-
Exchange differences	-
As on 31st March, 2017	15.2
II. Accumulated Depreciation & Impairment	
Balance as at 1st April, 2016	0.2
Depreciation expenses for the year	1.5
Impairment	-
Disposals	1.4
Balance as at 31st March, 2017	3.0
III. Net Carrying Amount	12.0
I. Gross carrying Amount	
At 1st April, 2015	4.7
Additions	-
Disposals	-
Exchange differences	-
At 31st March, 2016	4.7
II. Accumulated Depreciation and impairment	
Balance as at 1st April, 2015	-
Depreciation expenses for the year	0.2
Impairment	-
Disposals	-
Balance as at 31st March, 2016	0.2
III. Net carrying Amount	4.5



Finolex

Cables Limited

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

Note 5 : Investments

	As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015
Non Current Investments			
Investment in Assocaites/Joint Ventures measured at cost			
40,192,597 Equity Shares of Rs. 10 each fully paid in Finolex Industries Limited (Previous Year 40,192,597)	3,474.1	2,743.4	1,518.5
Goodwill on acquisition			314.9
Adjustment for post-acquistion share of profit			910.0
Share in current year profit of associate	709.7	730.7	
Total Investment in Associate	<u>4,183.8</u>	<u>3,474.1</u>	<u>2,743.4</u>
Opening balance	439.2	341.5	
117,850,000 Equity Shares of Rs.10 each fully paid in Finolex J-Power Systems Private Limited	196.0	232.8	749.7
Less: Provision for Diminution in value of Investments	(245.0)	(194.5)	(200.3)
Adjustment for post-acquistion share of profit	-		(207.9)
Share in current year profit of JV	120.9	59.4	
	<u>511.1</u>	<u>439.2</u>	<u>341.5</u>
1,750,000 Equity Shares of Rs.10 each fully paid in Corning Finolex Optical Fibre Private Limited	14.2	14.2	17.5
Adjustment for post-acquistion share of profit			(3.3)
	<u>14.2</u>	<u>14.2</u>	<u>14.2</u>
	<u>4,709.1</u>	<u>3,927.4</u>	<u>3,099.1</u>
Investments at fair value through OCI (fully paid)			
Quoted equity shares			
30,500 Equity Shares of Rs. 2 each fully paid in Bharat Forge Limited (Previous Year 30,500)	31.7	26.6	39.2
358,500 Equity Shares of Rs. 10 each fully paid in IndusInd Bank Limited (Previous Year 358,500)	505.3	346.9	316.5
Unquoted equity shares			
6,100,000 Equity Shares of Rs. 10 each fully paid in I2IT Private Limited (Previous Year 6,100,000)	-	-	87.8
1,000,000 Equity Shares of Rs. 10 each fully paid in Finolex Plasson Industries Limited (Previous Year 1,000,000)	112.5	102.0	90.2
967,700 Equity Shares of Rs. 10 each fully paid in SICOM Limited (Previous Year 967,700)	210.2	210.2	214.7
5,373,938 Equity Shares of Rs.10 each fully paid in Finolex Infrastructure Limited (Previous Year 5,343,404)	85.8	129.1	129.3
Total FVTOCI investments	<u>945.5</u>	<u>814.8</u>	<u>877.7</u>
Aggregate value of Quoted Investments	537.0	373.5	355.7
Aggregate value of Unquoted Investments	408.5	441.3	522.0

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Notes to Consolidated Financial Statements as at and for the year ended 31st March 2017

(Rs. In Million)

	As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015
Current Investment			
Investments- Current Assets			
Investments at fair value through OCI (fully paid)			
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)	74.5	95.4	119.5
168,750 Equity Shares of Rs.5 each fully paid in BF Investment Limited (Previous Year 168,750)	27.9	20.4	28.5
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 (Previous Year 300)	-	-	-
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 (Previous Year 22,105)	6.1	5.2	7.0
200,000 Equity Shares of Rs. 5 each fully paid in Kirloskar Ferrous Limited (Previous Year 200,000)	19.3	9.0	10.6
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	-	-
500 Equity Shares of Rs. 2 each fully paid in Sterlite Technologies Limited (Previous Year 500)	0.1	-	-
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)	-	0.1	-
218 Equity Shares of Re. 1 each fully paid in ZEE Entertainment Enterprises Limited (Previous Year 218)	0.1	0.1	-
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)	0.1	-	-
27 Equity Shares of Rs. 10 each fully paid in ZEE Learn Limited (Previous Year 27)	-	-	-



Finolex

Cables Limited

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

	As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015
Investments at fair value through profit or loss			
205,189 Units of Rs 10 each of Axis Liquid Fund-Growth (Previous Year 120,036)	368.9	201.2	206.6
27,532 Units of Rs 1,000 each of Axis Treasury Advantage Fund - Growth (Previous Year Nil)	50.0	-	-
1,098,892 Units of Rs 100 each of Birla Sun Life Cash Plus-Growth-Regular Plan (Previous Year 1,289,410)	286.3	313.0	168.2
10,000,000 Units of Rs 10 each of Birla Sun Life Fixed Term Plan-Series OF (1151 Days)-Growth-Regular Plan (Previous Year Nil)	100.5	-	-
- Units of Rs 100 each of Birla Sun Life Saving Fund-Growth-Regular Plan (Previous Year 204,874)	-	60.0	70.0
182,440 Units of Rs 1,000 each of DSP Black Rock Liquidity Fund-Institutional Plan-Growth (Previous Year 134,713)	422.9	291.3	-
- Units of Rs 1,000 each of DSP Black Rock Money Manager Fund-Regular Plan-Growth (Previous Year 24,573)	-	50.0	-
10,000,000 Units of Rs 10 each of DSP Black Rock FMP-Series 204 (37M)-Regular Plan-Growth (Previous Year Nil)	100.7	-	-
139,352 Units of Rs.1,000 each of Franklin India Treasury Management Account-Super Institutional Plan-Growth (Previous Year 179,208)	338.1	405.4	265.8
7,500,000 Units of Rs 10 each of Franklin India Fixed Maturity Plan-Series 1 Plan A - Growth (Previous Year Nil)	75.1	-	-
2,245,728 Units of Rs 10 each of Franklin India Ultra Short Bond Fund - Super Institutional Plan - Growth (Previous Year Nil)	50.0	-	-
140,126 Units of Rs.1,000 each of HDFC Liquid Fund - Growth (Previous Year 135,133)	448.4	403.3	244.9
991,583 Units of Rs. 100 each of ICICI Prudential Liquid Plan-Growth (Previous Year 1,388,093)	238.1	310.7	259.9
10,000,000 Units of Rs 10 each of ICICI Prudential Fixed Maturity Plan-Series 80 - 1245 Days Plan L Cumulative (Previous Year Nil)	100.8	-	-
321,193 Units of Rs. 10 each of ICICI Prudential Flexible Income-Growth (Previous Year 174690)	100.0	50.0	-
160,001 Units of Rs. 10 each of IDFC Cash Fund -Growth-Regular Plan (Previous Year 155813)	315.4	286.5	183.5
12,500,000 Units of Rs 10 each of IDFC Fixed Term Plan Series 131 Regular Plan - Growth (Previous Year Nil)	125.2	-	-
179,967 Units of Rs.10 each of JM Basic Fund - Growth (Previous Year 179,967)	5.0	3.5	3.9
4,862,824 Units of Rs.10 each of JM High Liquidity Fund-Growth (Previous Year 8,094,632)	215.7	334.5	260.7
53,415 Units of Rs.1,000 each of Kotak Liquid Regular Plan -Growth (Previous Year Nil)	175.8	-	-
10,000,000 Units of Rs 10 each of Kotak FMP Series 200 Growth (Regular Plan) (Previous Year Nil)	100.6	-	-
1,920,034 Units of Rs 10 each of Kotak Treasury Advantage Fund-Growth (Regular Plan) (Previous Year Nil)	50.0	-	-

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Notes to Consolidated Financial Statements as at and for the year ended 31st March 2017

(Rs. In Million)

	As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015
3,127,737 Units of Rs 10 each of L&T Floating Rate Fund - Growth (Previous Year Nil)	50.0	-	-
13,495 Units of Rs 1,000 each of L&T Liquid Fund - Regular - Growth (Previous Year Nil)	30.0	-	-
52,225 Units of Rs.1,000 each of LIC Nomura Liquid Fund-Growth (Previous Year Nil)	153.5	-	-
- Units of Rs.10 each of L&T Liquid Fund-Growth (Previous Year Nil)	-	-	238.8
66,747 Units of Rs.1,000 each of Reliance Liquid Fund-Treasury Plan-Growth Plan - Growth Option (Previous Year 48,302)	264.0	178.0	206.1
- Units of Rs.10 each of Reliance Money Manager -Growth Plan - Growth Option (Previous Year Nil)	-	-	50.0
7,718,670 Units of Rs.10 each of Reliance Yearly Interval Fund -Series 1 -Direct Plan - Growth Plan (Previous Year 7,718,670)	109.2	101.6	-
- Units of Rs.10 each of Reliance Quarterly Interval Fund -Series II -Direct Growth Plan - Growth Plan (Previous Year 7,326,150)	-	152.1	-
10,000,000 Units of Rs 10 each of Reliance Fixed Horizon Fund - XXXIII- Series 3- Growth Plan (Previous Year Nil)	100.8	-	-
10,000,000 Units of Rs 10 each of Reliance Fixed Horizon Fund - XXXIII- Series 4- Growth Plan (Previous Year Nil)	100.6	-	-
44,592 Units of Rs 1,000 each of Reliance Money Manager Fund - Growth Plan -Growth Option (Previous Year Nil)	100.0	-	-
- Units of Rs.10 each of Religare Invesco Liquid Fund-Growth (Previous Year Nil)	-	-	197.3
124,147 Units of Rs.1,000 each of SBI Premier Liquid Fund-Regular Plan-Growth (Previous Year 132,885)	316.0	315.7	179.3
10,000,000 Units of Rs 10 each of SBI Debt Fund Series - B -49 (1170 Days) - Regular Growth (Previous Year Nil)	100.7	-	-
47,609 Units of Rs 1,000 each of SBI Ultra Short Term Debt Fund - Regular Plan - Growth (Previous Year Nil)	100.0	-	-
418,264 Units of Rs.10 each of Sundaram Infrastructure Advantage Fund- Regular-Dividend (Previous Year 418,264)	11.6	9.3	10.6
72,225 Units of Rs.1,000 each of Tata Liquid Fund-Regular Plan-Growth (Previous Year 110,085)	215.9	307.1	176.5
146,862 Units of Rs.1,000 each of UTI Liquid Cash Plan -Institutional-Growth (Previous Year 65,687)	390.2	162.8	-
10,000,000 Units of Rs 10 each of UTI Fixed Term Income Fund Series - XXVI - V (1160 Days) - Growth Plan (Previous Year Nil)	100.3	-	-
Aggregate Amount of Quoted Investment	5,938.5	4,066.2	2,887.7

Indicate investments having value in rupees less than Rupees Million.



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Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

Note 6 : Loans and Advances

	Non Current			Current		
	As at 31st-March- 2017	As at 31st-March- 2016	As at 1st-April- 2015	As at 31st-March- 2017	As at 31st-March- 2016	As at 1st-April- 2015
(a) Capital Advance	23.6	30.2	8.4	-	-	-
(b) Security Deposits #	42.0	35.0	33.7	-	-	-
(c) Advance recoverable in Cash or Kind	-	-	-	81.3	85.3	21.2
	65.6	65.2	42.2	81.3	85.3	21.2

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

Note 7 : Other Non-Current Assets

	As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015
(a) Advances other than Capital Advances	6.2	0.5	192.9
	6.2	0.5	192.9

Note 8 : Inventories (Valued at lower of cost and net realisable value unless stated)

	As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015
(a) Raw materials	1,029.1	896.5	873.6
(b) Work in progress	1,088.4	839.4	817.7
(c) Finished goods	2,212.3	1,352.1	1,249.4
(d) Traded goods	128.0	53.9	47.4
(e) Stores & Spares	113.7	102.3	84.2
(f) Scraps	48.6	47.8	38.8
Total inventories (at the lower of cost and net realisable value)	4,620.1	3,293	3,111.1
Included above, goods-in-transit:			
Raw materials	195.6	159.2	158.9
Finished and semi-finished goods	654.6	200.7	46.7
Total goods-in-transit	850.2	359.9	205.6

Note 9 : Trade Receivables

	As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015
Trade receivables	1,276.7	1,286.3	1,123.5
Receivables from other related parties	-	3.2	0.07
Doubtful	32.8	30.3	28.1
	1,243.9	1,259.2	1,186.1

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Notes to Consolidated Financial Statements as at and for the year ended 31st March 2017

(Rs. In Million)

Outstanding for a period exceeding six months from the date they are due for payment

Secured, considered good			
Unsecured, considered good	255.8	34.4	59.2
Doubtful	32.8	30.3	28.1
	288.6	64.7	87.3
Provision for doubtful receivables	(32.8)	(30.3)	(28.1)
	255.8	34.4	59.2
Other Receivables			
Unsecured, considered good	988.1	1,224.8	1,126.9
	1,243.9	1,259.2	1,186.1

Note 10 : Cash and Cash Equivalent

	As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015
Balances with banks:			
(a) On current accounts	320.8	208.0	213.0
(b) Cash on hand	0.2	0.2	0.4
Total cash and cash equivalent	321.0	208.2	213.4
Other Bank Balances			
Balances with Banks:			
(a) Unclaim dividend	16.9	13.1	12.0
(b) On Margin Accounts	3.0	3.0	3.0
(c) Fixed Deposits with maturity greater than 3 months	1,668.0	1,963.0	1,153.0
Total other Bank balances	1,687.9	1,979.1	1,168.0
	(A+B) 2,008.9	2,187.3	1,381.4

Fixed deposits are made for varying periods of between one month and twelve months, depending on the immediate cash requirements of the Company, and earn interest at the respective Fixed deposit rates.

At 31st March 2017, the Company had available Rs. 2000.0 million (31st March 2016: Rs. 2000.0 million, 1st April 2015: Rs. 2000.0 million) of undrawn committed borrowing facilities.

Margin money deposit includes Deposit given to Goa Electricity Board Rs.3 million , (previous year Rs. 3 million).

Please also refer note No. 46 on Specified Bank Note.

Note 11 : Other Current Assets

	As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015
(a) Balances with Government authorities (Other than Income Tax)	236.6	213.5	207.9
(b) Other Advance	203.8	721.5	579.7
	440.4	935.0	787.6



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Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

Note 12 : Share Capital

I Authorised Share Capital

	Equity Shares	
	Nos.	(Rs. In Million)
235,000,000 (Previous year 235,000,000) Equity shares of Rs. 2/-each	235,000,000	470.0
15,000,000 (Previous year 15,000,000) Unclassified shares of Rs. 2/- each	15,000,000	30.0
At 1st April 2015	250,000,000	500.0
Increase/(decrease) during the year	-	-
Outstanding At 31st March 2016	250,000,000	500.0
Increase/(decrease) during the year	-	-
Outstanding At 31st March 2017	250,000,000	500.0

II Issued, Subscribed and Paid up Share Capital

	Equity Shares	
	Nos.	(Rs. In Million)
Equity shares of Rs. 2 each issued, subscribed and fully paid		
At 1st April 2015	152,939,345	305.9
At 31st March 2016	152,939,345	305.9
At 31st March 2017	152,939,345	305.9

(a) Reconciliation of Equity Shares at the beginning and at the end of the reporting period.

	As at 31st-March-2017		As at 31st-March-2016	
	No of Shares	(Rs. In Million)	No of Shares	(Rs. In Million)
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.

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

	As at 31st-March-2017		As at 31st-March-2016	
	No of Shares	%	No of Shares	%
Finolex Industries Limited	22,187,075	14.5	22,187,075	14.5
Orbit Electricals Pvt. Limited	46,956,120	30.7	46,956,120	30.7

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Notes to Consolidated Financial Statements as at and for the year ended 31st March 2017

(Rs. In Million)

Note 13 : Other Equity

	As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015
(i) Share Premium	1,091.0	1,091.0	1,091.0
(ii) Capital Reserve	84.1	84.1	84.1
(iii) Debenture Redemption Reserve	-	250.0	250.0
Transfer to General Reserve	-	(250.0)	-
Balance for the end of the year	<u>1,175.0</u>	<u>1,175.0</u>	<u>1,425.0</u>
(iv) General Reserve			
Balance at the beginning of the year	5,523.6	5,279.6	5,087.2
Add : Amount Transferred from Surplus in the Statement of Profit and Loss	-	-	200.0
Add: Transfer from Debenture Redemption Reserve	-	250.0	-
Balance at the end of the year	<u>5,523.6</u>	<u>5,529.6</u>	<u>5,287.2</u>
(v) Retained Earnings			
Surplus in the statement of profit and loss	10,699.9	7,828.2	4,828.0
Less: Appropriations:			
Final Dividend	(382.4)	(275.3)	-
Dividend Distribution Tax	(77.2)	(56.0)	-
Capitalisation of Lease hold land Rent reclassified to other liabilities	-	(6.0)	6.0
Adjustment of earlier deferred tax liabilities	13.7	-	(13.7)
Adjustment of depreciation on capitalised spares FY 15-16	(7.5)	-	-
Retained Earnings	10,246.4	7,490.9	4,820.3
Profit and Loss A/c	3,158.8	2,488.6	1,986.5
Other Comprehensive Income			
A. Items that will not be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit plans	(20.8)	(4.3)	-
Previous Year Adjustment	3.5		
B. Items that will be reclassified to profit or loss			
Gains (losses) on equity instruments designated at FVOCI	45.5	(79.7)	-
Previous Year Adjustment	72.1		
Elimination of Investment			
Finolex Industries Limited			(1,518.5)
Finolex J-Power Systems Private Limited			(549.4)
Corning Finolex Optical Fibre private Limited			(17.5)
Post acquisition profit of associates & Joint Venture			
Finolex Industries Limited			2,743.4
Finolex J-Power Systems Private Limited			341.5
Corning Finolex Optical Fibre private Limited			14.2
Share of Profit of associates & Joint Venture			
Finolex Industries Limited	722.8	738.9	
Finolex J-Power Systems Private Limited	120.9	59.4	
Corning Finolex Optical Fibre private Limited	-	-	
Total	<u>14,349.1</u>	<u>10,693.9</u>	<u>7,820.6</u>
(vi) Share buy back reserve	55.2	55.2	55.2
Total Reserves	<u>21,102.9</u>	<u>17,453.8</u>	<u>14,588.1</u>



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Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

Note 14 : Borrowings

Non-current Borrowings	Effective interest rate %	Maturity	As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015
Term Loan					
From Bank Non-current	8.9		-	250.0	500.0
Deffered Sales Tax Loan -Non Current			3.8	7.5	12.1
			<u>-</u>	<u>257.5</u>	<u>512.1</u>

Notes : Details of Loan

Particulars	Tenor	Rs in Million	Repayment Schedule	Rate of Interest
(a) Rupee Term Loan From Bank	6 years	750	3 equal installments of Rs. 250 million each on 31st Dec 2015, 31st Dec 2016, 31st Dec 2017, Outstanding Rs. Nil million as on 31st March 2017 (previous year Rs. 500.0 million) outstanding loan due on 31st Dec 2017 is paid at Jan 2017.	Bank base rate Plus 0.25%
(b) Deferred Sales Tax Loan	-	12.1	Repayable in installments, last installment being on 26th April 2020.	Interst Free

Security

a) Rupee Term Loan from Bank Second / Subservient charge on the block of assets of the plant of Roorkee.

Current Borrowings	Effective interest rate %	Maturity	As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015
Working Capital Loan	8.9	-	-	-	0.3
		-	-	-	0.3

The company has Cash Credit and Packing Credit facilities from banks which are secured by hypothecation of inventories and book debts. Cash Credit is repayable on demand. Interest rate is 12.2 % (previous year 12.3 %). As at the year end, there is no utilisation of this facilities.

Note 15 : Provisions

	Non-Current			Current		
	As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015	As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015
Provision for Employee Benefits						
Gratuity	-	-	4.6	25.0	8.6	20.3
Leave Encashment	60.1	49.1	45.1	18.8	14.1	11.9
	<u>60.1</u>	<u>49.1</u>	<u>49.7</u>	<u>43.8</u>	<u>22.7</u>	<u>32.2</u>
Other Provision						
Maintenance Warranties	-	-	-	6.7	4.8	-
Other Provision-Duties/Taxes	-	-	-	55.0	54.8	54.8
	<u>-</u>	<u>-</u>	<u>-</u>	<u>61.7</u>	<u>59.6</u>	<u>54.8</u>
	<u>60.1</u>	<u>49.1</u>	<u>49.7</u>	<u>105.5</u>	<u>82.2</u>	<u>87.0</u>

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Notes to Consolidated Financial Statements as at and for the year ended 31st March 2017

(Rs. In Million)

Details of Movement in Warranty Provision	As at 31st-March-2017	As at 31st-March-2016
Balance as on 1st April	4.8	-
Arising during the year	1.9	4.8
Balance as on 31st March	6.7	4.8

Note 16 : Other Non-Current Liabilities

	As at 31st-March-2017	As at 31st-March-2016	As at 1st-April-2015
Retention Money	1.9	4.0	4.1
	1.9	4.0	4.1

Note 17 : Income Tax

Major components of Income Tax expense

Profit or Loss Section

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Current Income Tax:		
Current Income Tax charge	1,159.1	1,033.6
Adjustments in respect of current income tax of previous year	(84.1)	(87.7)
Deferred tax:		
Relating to origination and reversal of temporary differences	(40.6)	(70.6)
Income tax expense reported in the statement of profit or loss	1,034.4	875.3

OCI section

Deferred tax related to items recognised in OCI during in the year

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Unrealised (gain)/loss on FVTOCI equity securities	45.5	(79.7)
Net loss/(gain) on remeasurements of defined benefit plans	(20.8)	(4.3)
Income tax charged to OCI	24.7	(84.0)

Deferred Tax

Deferred Tax relates to the following:	Year Ended 31st March, 2017	Year Ended 31st March, 2016	Year Ended 1st April, 2015
Accelerated depreciation for tax purposes	349.8	343.3	356.2
Employee Benefits	(65.4)	(25.2)	(28.7)
Provision for Doubtful Debt	(10.5)	(10.5)	(9.7)
Provision for diminution in value of investments	(52.5)	(45.6)	-
Others	(32.5)	(18.4)	(3.6)
Deferred tax expense/(income)	188.9	243.6	314.2
Net deferred tax assets/(liabilities)	188.9	243.6	314.2



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Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

Reconciliation of deferred tax liabilities (net):

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

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Opening balance as of 1st April	243.6	314.2
Accelerated depreciation for tax purposes	6.5	(12.9)
Employee Benefits	(40.2)	3.5
Provision for Doubtful Debt	-	(0.8)
Provision for diminution in value of investments	(6.9)	(59.3)
Others	(14.1)	(1.1)
Closing balance as at 31st March	188.9	243.6

Note 18 : Trade Payables

	As at 31st-March-2017	As at 31st-March-2016	As at 01st-April-2015
Trade payables	899.1	884.1	530.9
Trade payables to Micro Small & Medium Enterprises (Refer Note No. 33)	6.5	5.3	1.0
Trade payables to related parties	2.5	9.4	-
	908.1	898.8	531.9

Note 19 : Other Payable

	As at 31st-March-2017	As at 31st-March-2016	As at 01st-April-2015
Expenses Payable	196.4	192.5	8.2
Interest free Deposits form Distributors	8.1	8.5	7.4
Current Maturity of Long term Loan	-	250.0	250.0
Claims Payable	26.9	5.7	15.7
Unpaid Dividend	16.8	13.0	11.9
9.1% 'M' Series Non Convertible Debentures (500 Debentures of Rs 1,000,000 each)	-	-	500.0
Derivative Instruments Liability	2.0	0.6	-
Deffered Sales Tax Loan -Current	3.7	4.6	4.9
Interest payable	-	4.2	6.7
Other Liabilities	958.0	930.1	971.9
	1,211.9	1,409.2	1,776.7

Particulars	Tenor	Rs in Million	Repayment Schedule	int Rate
Debenture- M Series	5 years	500	Lump sum paid on 24th Aug, 2015.	9.10%
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.			

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Notes to Consolidated Financial Statements as at and for the year ended 31st March 2017

(Rs. In Million)

Note 20 : Other Current Liabilities

	As at 31st-March-2017	As at 31st-March-2016	As at 01st-April-2015
Balances Payable to Tax Authorities	16.5	11.4	5.3
Other Statutory Dues Payable	134.3	80.8	90.3
Other Miscellaneous Liabilities	254.8	-	-
	<u>405.6</u>	<u>92.1</u>	<u>95.6</u>

1. During the year it was brought to the notice of the Company by the Pune Metropolitan Regional Development Authority ("PMRDA") that plans for construction of plants at Urse location during 2005 thru 2009 were approved by Grampanchayat in place of Town Planning Authority and therefore needs to be regularised by the said authority. The Company is in the process of making appropriate representations to the regulatory authorities to get the aforesaid approvals ratified. However, as a matter of prudence, the company has recognised a provision towards compounding charges of Rs. 254.5 Million included in Other Miscellaneous Liabilities.

Note 21 : Revenue From Operations:

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Sale of Goods	24,217.9	23,435.9
Excise Duty Collected from Customers	2,259.1	2,144.1
(a) Total sale of products (including excise duty)	<u>26,477.0</u>	<u>25,580.0</u>
(b) Other Operating Revenues	230.5	167.3
	<u>26,707.5</u>	<u>25,747.3</u>

Note 22 : Other Income:

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Fair value gain on financial instruments at FVTPL	164.3	3.6
Net gain on disposal of property, plant and equipment	0.8	18.7
Dividend Income	-	4.9
Gain on redemption of Current Investment	177.3	255.5
Reversal of provisions on Demunition in value of investment on longer required	-	35.1
Other Income	239.0	240.5
Gain From Exchange difference	12.1	3.0
	<u>593.5</u>	<u>561.3</u>

Note 23 : Raw Material and Components Consumed

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Inventory at the beginning of the year	896.6	873.5
Add: Purchases	18,252.1	17,145.3
Less: Inventory at the end of the year	1,029.1	896.5
	<u>18,119.6</u>	<u>17,122.3</u>



Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

Note 24 : Cost of Traded Goods Sold

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Inventory at the beginning of the year	53.9	47.4
Add: Purchases	332.3	218.4
Less: Inventory at the end of the year	128.0	53.9
	258.2	211.7

Note : 25 : (Increase)/Decrease in Inventories

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Inventories at the end of the year (A)		
Work-in-progress	1,088.4	839.4
Finished goods	2,212.3	1,352.1
Stock-in-Trade	128.0	53.9
	3,428.7	2,245.4
Inventories at the beginning of the year (B)		
Work-in-progress	839.4	817.7
Finished goods	1,352.1	1,249.4
Stock-in-Trade	53.9	47.4
	2,245.4	2,114.5
Increase/(Decrease) in Inventories (B)-(A)	(1,183.3)	(130.9)

Note 26 : Employee benefits expenses

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
(a) Salaries, wages and bonus	843.9	758.4
(b) Contribution to provident and other funds	43.6	48.8
(c) Gratuity expense	10.9	9.3
(d) Staff welfare expenses	293.5	255.7
	1,191.9	1,072.2

Note 27 : Depreciation, Amortization and Impairment Expenses

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Depreciation on Tangible assets (note 3)	478.8	579.7
Amortization of Intangible assets (note 4)	1.5	0.2
	480.3	579.9

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Notes to Consolidated Financial Statements as at and for the year ended 31st March 2017

(Rs. In Million)

Note 28 : Finance Cost

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Interest on debts and borrowings	42.9	89.5
	42.9	89.5

Note 29 : Other Expense

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
(a) Consumption of stores and spares	229.9	212.5
(b) Power and fuel	434.8	424.2
(c) Freight and forwarding charges	416.0	355.1
(d) Rent, Rates and taxes (refer note 1 below)	304.0	35.4
(e) Insurance	10.9	10.6
(f) Repairs and maintenance -		
(i) Plant and machinery	23.3	20.3
(ii) Buildings	12.9	8.5
(iii) Others	36.7	64.9
(g) CSR expenditure (refer note below)	15.8	30.0
(h) Advertising and sales promotion	146.3	139.1
(i) Travelling and conveyance	123.4	115.8
(j) Communication costs	11.8	9.1
(k) Legal and professional fees	42.2	62.8
(l) Directors' sitting fees	1.3	1.4
(m) Payment to auditor (Refer details below)	5.6	5.8
(n) Warranty Costs (net of reversal)	2.0	4.8
(o) Allowances for doubtful debts and advances	4.2	3.6
(p) Miscellaneous expenses (refer note 2 below)	207.5	234.0
	2,028.6	1,737.8

- During the year it was brought to the notice of the Company by the Pune Metropolitan Regional Development Authority ("PMRDA") that plans for construction of plants at Urse location during 2005 thru 2009 were approved by Grampanchayat in place of Town Planning Authority and therefore needs to be regularised by the said authority. The Company is in the process of making appropriate representations to the regulatory authorities to get the aforesaid approvals ratified. However, as a matter of prudence, the company has recognised a provision towards compounding charges of Rs. 254.5 Million included in Rates & Taxes.



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Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

2. Include Miscellaneous exp, Donation to Political party Rs. 1.5 million (Previous year Nil)
Bhartiya Janata Party Rs. 1.0 million, India National Congress Rs. 0.5 million.

Payment to Auditors	Year Ended 31st March, 2017	Year Ended 31st March, 2016
As Auditor:		
Audit fee	4.1	4.1
Tax audit fee	0.8	0.8
Other services (certification fees)	0.5	0.5
Reimbursement of expenses	0.2	0.4
	5.6	5.8

Details of CSR expenditure:

Details given in Annexure J of Director report

Note 30: Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

During the year ended 31st March, 2017	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Gain/(loss) on FVTOCI financial assets	45.5	(79.7)
Re-measurement gains (losses) on defined benefit plans	(20.8)	(4.3)
	24.7	(84.0)

Note 31 : Distribution made and proposed

Under the previous GAAP, proposed dividend including Corporate Dividend Tax (CDT), are recognised as liability in the period to which they relate, irrespective of the fact of when they are declared. Under Ind AS, proposed dividend is recognised as liability in the period in which it is declared by the company. Usually when approved by the Shareholders in Genral Meeting or paid.

Proposed Dividend, including CDT liability as on April, 1 2015 amounting to Rs. 331.3 million was derecognised on the transaction date with corprosdng entries in Retained Earning. The same has been recognised in retained earning during the year ended March 31, 2016 has declared and paid. Proposed Dividend including CDT liability as on March 31, 2016 amounting to Rs.459.6 million is also derecognised on that date with the corresponding in the retained earning.

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including DDT thereon) as at 31 March 17.

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Notes to Consolidated Financial Statements as at and for the year ended 31st March 2017

(Rs. In Million)

Note 32 : Earnings Per Share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Profit attributable to equity holders		
Continuing operations	4,002.5	3,286.7
Discontinued operation	-	-
Profit attributable to equity holders of the parent for basic earnings	4,002.5	3,286.7
Weighted average number of Equity shares for basic EPS*	152,939,345.0	152,939,345.0
Effect of dilution:		
Share options		
Convertible preference shares		
Weighted average number of Equity shares adjusted for the effect of dilution *	152,939,345.0	152,939,345.0
Basic Earnings per share	26.2	21.5
Diluted Earnings per share	26.2	21.5

Note 33 : Dues to Micro, Small and Medium Enterprises

- (a) Outstanding to suppliers other than Micro and Small Enterprises Rs. 901.9 million (previous year Rs.1,044.7 million)
- (b) Outstanding to Micro and Small enterprises Rs. 6.5 million (previous year Rs. 5.3 million)

Particulars	As at 31st March, 2017	As at 31st March, 2016
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 enterprise	6.5	5.3
Interest due on above	0.8	0.3
	<u>7.3</u>	<u>5.6</u>
Amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006 along with the amounts paid to suppliers beyond the appointed day during each accounting year.	-	-
Amount of interest due and payable for the period of delay in making payment (beyond the appointed day) 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	0.8	0.3

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



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Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2017

Note 34 : Related Party Transactions (As per Ind AS-24 on Related Party Disclosures Specified under Section 133 of the Companies Act, 2013) :

(a) Key Management Personnel and Relatives:

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

(b) Enterprises over which key management Personnel and their relatives exercise significant influence

Orbit Electrical Private Limited.

Finolex Infrastructure Limited.

Magnum Machine Technologies Ltd.

Finolex Plasson Industries Private Limited.

(c) Individual having significant influence over the Company:

Mr. D.K. Chhabria

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2017

d) Transaction with Related Parties

Note 34A provides the information about the Company's structure including the details of the subsidiaries and the holding company. The following table provides the total total amount of transactions that have been entered into with related parties for the relevant financial year.

(Rs. In Million)

	Sales to related parties	Rent/Dividend / Others/ Deposit	Purchases from related parties	Services & Reimbursement	Investment	Amounts owed by related parties*	Amounts owed to related parties*
Magnum Machines Technologies Ltd.							
31-Mar-17	-	-	1.3	-	-	-	-
31-Mar-16	-	-	2.5	-	-	-	-
01-Apr-15	-	-	0.2	-	-	-	-
Finpro Advisory Services Ltd.							
31-Mar-17	-	-	-	-	-	-	-
31-Mar-16	-	-	0.1	-	-	-	-
01-Apr-15	-	-	-	7.7	-	-	-
Others(Orbit Electricals Pvt Ltd / Finolex Plasson Industries Pvt Ltd/Mr. P.P. Chhabria)							
31-Mar-17		7.7	-	-	-	-	2.5
31-Mar-16	0.1	7.2	-	60.1	-	3.2	9.6
01-Apr-15	0.5	6.7	1.6	30.8	-	0.7	-
Key management personnel of the Company:							
Other directors' interests							
31-Mar-17	-	-	-	-	-	-	-
31-Mar-16	-	-	-	-	-	-	-
01-Apr-15	-	-	-	-	-	-	-

* The amounts are classified as trade receivables and trade payables, respectively.

Key management personnel of the Company:

Remuneration to Key Management Personnel	Mr. D.K.Chhabria	Mr. Mahesh Viswanathan	Mr. R.G. D'Silva
31-Mar-17	102.0	23.8	3.2
31-Mar-16	84.5	19.4	2.6
01-Apr-15	73.3	16.6	2.4



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Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

Note 35 : First-time adoption of Ind AS

Reconciliation of Balance Sheet as at 31st March, 2016 and 1st April, 2015

	Note No.	As at 31st March, 2016			As at 1st April, 2015		
		Previous GAAP	Adjustments	As per Ind AS	Previous GAAP	Adjustments	As per Ind AS
I. ASSETS							
NON CURRENT ASSETS							
(a) Property, Plant and Equipment	3	4,257.3	60.1	4,317.4	4,646.5	67.7	4,714.2
(b) Capital Work-in-Progress	3	31.4	-	31.4	66.7	-	66.7
(c) Intangible Assets	4	4.5	-	4.5	4.7	-	4.7
(d) Financial Assets		-	-	-	-	-	-
i) Investment in an Associate and a Joint Venture	5	3,927.4	-	3,927.4	3,099.1	-	3,099.1
ii) Investments-Non Current Assets	5	758.8	56.0	814.8	950.0	(72.3)	877.7
iii) Loans and Advances	6	65.2	-	65.2	42.2	-	42.2
(e) Other Non-Current Assets	7	0.5	-	0.5	192.9	-	192.9
		<u>9,045.2</u>	<u>116.1</u>	<u>9,161.2</u>	<u>9,002.1</u>	<u>(4.6)</u>	<u>8,997.5</u>
CURRENT ASSETS							
(a) Inventories	8	3,353.1	(60.1)	3,293.0	3,178.8	(67.7)	3,111.1
(b) Financial Assets		-	-	-	-	-	-
i) Investments	5	3,902.0	164.3	4,066.2	2,884.1	3.6	2,887.7
ii) Trade receivables	9	1,259.2	-	1,259.2	1,186.1	-	1,186.1
iii) Cash and cash equivalents	10	2,187.3	-	2,187.3	1,381.4	-	1,381.4
iv) Loans and advances	6	85.3	-	85.3	21.2	-	21.2
(c) Current Tax Assets (Net)		-	-	-	-	-	-
(d) Other Current Assets	11	935.0	-	935.0	787.6	-	787.6
		<u>11,722.0</u>	<u>104.2</u>	<u>11,826.0</u>	<u>9,439.2</u>	<u>(64.1)</u>	<u>9,375.1</u>
TOTAL ASSETS		<u>20,767.1</u>	<u>220.3</u>	<u>20,987.2</u>	<u>18,441.3</u>	<u>(68.7)</u>	<u>18,372.6</u>
II. EQUITY AND LIABILITIES							
EQUITY							
(a) Equity share capital	12	305.9	-	305.9	305.9	-	305.9
(b) Other equity	13	16,824.0	629.7	17,453.8	14,359.3	228.7	14,588.1
		<u>17,129.9</u>	<u>629.7</u>	<u>17,759.7</u>	<u>14,665.2</u>	<u>228.7</u>	<u>14,894.0</u>
LIABILITIES							
NON CURRENT LIABILITIES							
(a) Financial Liabilities							
i) Borrowings	14	257.5	-	257.5	512.1	-	512.1
(b) Provisions	15	49.1	-	49.1	49.7	-	49.7
(c) Deferred tax liabilities (net)	17	243.6	-	243.6	314.2	-	314.2
(d) Other non-current liabilities	16	8.9	(4.9)	4.0	9.6	(5.5)	4.1
		<u>559.1</u>	<u>(4.9)</u>	<u>554.2</u>	<u>885.6</u>	<u>(5.5)</u>	<u>880.1</u>
CURRENT LIABILITIES							
(a) Financial Liabilities							
i) Borrowings	14	-	-	-	0.3	-	0.3
ii) Trade payables	18	898.8	-	898.8	531.9	-	531.9
iii) Other Financial Liabilities	19	1,409.8	(0.5)	1,409.2	1,777.3	(0.5)	1,776.7
(b) Liabilities for current tax (net)		191.1	-	191.1	107.0	-	107.0
(c) Provisions	15	486.3	(404.1)	82.2	378.4	(291.4)	87.0
(d) Other Current Liabilities	20	92.1	-	92.1	95.6	-	95.6
		<u>3,078.0</u>	<u>(404.6)</u>	<u>2,673.4</u>	<u>2,890.4</u>	<u>(291.9)</u>	<u>2,598.5</u>
		<u>3,637.2</u>	<u>(409.5)</u>	<u>3,227.6</u>	<u>3,776.0</u>	<u>(297.4)</u>	<u>3,478.6</u>
TOTAL EQUITY AND LIABILITIES		<u>20,767.1</u>	<u>220.3</u>	<u>20,987.2</u>	<u>18,441.3</u>	<u>(68.7)</u>	<u>18,372.6</u>

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Notes to Consolidated Financial Statements as at and for the year ended 31st March 2017

(Rs. In Million)

Reconciliation of total comprehensive income for the year ended 31st March, 2016

Reconciliation of Profit between Ind As and Previous GAAP	Year Ended 31st March, 2016
Net profit as per previous Indian GAAP	3,324.5
Fair value gain on financial instruments at FVTPL	3.5
Depreciation on capitalisation of spares	(7.5)
Employee benefit expenses	3.5
Goa Lease rent amortised on transition date	0.4
Change in share of profit /loss from Associate/JV	(37.6)
Net Profit before OCI as per Ind AS	3,286.8

Ind-AS effects:

(1) Proposed Dividend

Under Previous GAAP, proposed dividends including Dividend Distribution Tax (DDT) are recognised as a liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, proposed dividend is recognised as a liability in the period in which it is declared by the company (usually when approved by shareholders in a general meeting) or paid.

In the case of the Company, the declaration of dividend for March 2015 had occurred after period end. Therefore, the liability of Rs. 331.3 million for the year ended on March 31, 2015 and Rs 459.6 million as on March 31, 2016 recorded for dividend has been reversed with corresponding adjustment to retained earnings. Correspondingly, total equity increased by this amount.

(2) Fair value adjustments on investments

Current investments: Under Previous GAAP, current investments in equity instruments such as mutual funds and government securities are recognized at cost or net realizable value, whichever is lower. Long-term investments in equity instruments are recorded at cost unless there is an other than temporary decline in the value of investments.

The Company holds investment in equity shares. The fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in Other Comprehensive Income for the year ended 31st March, 2016. This resulted a decrease in retained earnings as at 1st April 2015 by Rs 72.4 million, increase in 31st March 2016 by Rs 56 million.

(3) Deferred Tax

The various transitional adjustments have led to temporary differences and accordingly, the Company has accounted for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

(4) Actuarial loss transferred to Other Comprehensive Income

Under Ind AS, re-measurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of statement of profit and loss. As a result of this change, the profit for the year ended 31st March 2017 has decreased by Rs. 18.3 million. There is no impact on total equity.

(5) Other Comprehensive Income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit and loss but are shown in the Statement of profit and loss as 'other comprehensive income' includes re-measurements of defined benefit plans and net gain on cash flow hedge. The concept of other comprehensive income did not exist under the previous GAAP.

(6) Spares Capitalised

Spares worth Rs. 75.2 million having useful life of more than one year were capitalized as property, plant and equipment. The average useful life of such spares was assessed to be 10 years, in-line with the balance average useful life of plant and machinery where such spares will be used.



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Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2017

Note 36 : Corporate Social Responsibility Expenses (CSR)

During the year, the company has incurred an expenditure of Rs. 15.8 Million towards Corporate Social Responsibilities (CSR) activities which includes contribution to an educational institute for construction of a Library, which is eligible under section 135 of Companies Act 2013. Please refer to Annexure- for details.

(Rs. In Million)

Note 37 : Foreign Currency related disclosures

(a) Unhedged foreign currency exposures:

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Trade Payable	-	764.9
Trade Receivables	68.8	23.9
Secured Loan	24.5	361.2

(b) The company has hedged exposures in respect of creditors by way of forward covers which were mostly USD-INR contracts. Forward covers to the extent of Rs. 174.9 million (previous year Rs. 35.3 million) were outstanding as at the year-end.

Note 38 : Raw Material Consumed

	Year Ended 31st March, 2017		Year Ended 31st March, 2016	
	Qty (MT)	Rs. In Million	Qty (MT)	Rs. In Million
Copper	33,827.6	13,460.8	30,973	12,594.1
PVC	25,019.5	1,798.5	23,908	1,674.1
Polythene	4,939.4	508.6	5,636	582.4
Preform	36.0	361.9	29	304.8
Others*	-	2,322.2	-	2,185.2
		<u>18,451.9</u>		<u>17,340.6</u>

* Includes Purchase of Traded Goods Rs. 332.3 million (previous year Rs. 218.2 million.)

Note 39 : CIF Value of Imports

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Raw Material	1,851.2	1,722.0
Spares and Components	14.9	27.2
Capital Goods	2,005.1	6.8
	<u>3,871.2</u>	<u>1,756.0</u>

Note 40 : Consumption of Raw Material

	Year Ended 31st March, 2017		Year Ended 31st March, 2016	
	%	Rs. In Million	%	Rs. In Million
Imported	8.9	1,636.0	10.4	1,742.6
Indigenous	91.1	16,815.9	89.6	15,598.0
	<u>100.0</u>	<u>18,451.9</u>	<u>100.0</u>	<u>17,340.6</u>

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Notes to Consolidated Financial Statements as at and for the year ended 31st March 2017

(Rs. In Million)

Note 41 : Consumption of Stores and Spares

	Year Ended 31st March, 2017		Year Ended 31st March, 2016	
	%	Rs. In Million	%	Rs. In Million
Imported	10.5	24.1	8.6	18.3
Indigenous	89.5	205.8	91.4	194.2
	<u>100.0</u>	<u>229.9</u>	<u>100.0</u>	<u>212.5</u>

Note 42 : Expenditure in Foreign Currency

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Travelling	0.6	2.0
Interest	-	-
Export Sales Commission	-	1.6
Bank Charges	1.5	-
Professional Fees	1.3	1.3
Others	1.8	1.9
	<u>5.2</u>	<u>6.8</u>

Note 43 : Earnings in Foreign Currency : (on accrual basis)

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
FOB Value of Export	316.1	416.5

Note 44 : Dividends Remitted in foreign Currency :

	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Number of Share holders	1	1
Number of Share held	60,11,550	60,33,825
Year to which dividend relates	Mar-16	Mar-15
Amount remitted (Net of tax deducted at source)	15.0	10.9

Note 45 : Contingent Liabilities and Commitments

(a) Contingent Liabilities

Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
I Disputed Tax Matters		
Excise	200.5	188.2
Customs	13.4	13.4
Sales Tax	790.9	736.0
Income Tax	74.4	51.2
Appeals preferred by the authorities against Appellate decisions in favour of the Company		
Income Tax	66.6	66.6



Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2017

(Rs. In Million)

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.)	1,104.8	865.1
III The Company has procured capital goods under zero duty EPCG scheme under Foreign Trade Policy. The Policy allows Import of capital goods at zero duty subject to an export obligation of six times of duty saved on capital goods Imported under the policy to be fulfilled in six year are reckoned from authorization issue date. As at March 31, 2017, the export obligation amounting Rs. 329.2 million (previous year Rs. 123.6 million) has not been fulfilled by the Company and hence as per Para 5.8 of the policy, the Company may have to pay the duty saving amount to Rs. 54.9 million (previous year Rs. 20.6 million) (which if incurred if capitalized to Fixed Assets) along with interest @ 18 % p.a. of such duty saved with in the period of three months from the end of stipulated time to fulfill such export obligation (most of which are due within 12 month from Balance Sheet date). In regards, the Company has obtained extension of further 2 years from Director General of Foreign Trade. Accordingly no provision has been considered in the financial statement and the liabilities for the are assessed by the management as contingent in nature.	54.9	20.6

(b) Commitment

- (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 fulfill quantified export against which future obligation aggregated to Rs. 1047.9 million (previous year Rs. 1047.9 million) which is to be discharges over a period of six / eight years from the date of licence this includes amount of Rs. 329.20 million, refer to note 48 (a)(iii) above.

Note 46 : Specified Bank Notes details:

	SBNs		Other denomination notes		Total	
	Denomination	Amount	Denomination	Amount	Denomination	Amount
Closing Balance as at 8th November 2016	1,000 x 18 500 x 429	232,500	100 x 905 50 x 203 20 x 215 10 x 1,141 Coins 322	116,682	1000 x 18 500 x 429 100 x 905 50 x 203 20 x 215 10 x 1,141 COINS 322	349,182
Transactions between 9th November 2016 and 30th December 2016						
Add: Withdrawal from Bank accounts				580,000		580,000
Add: Receipts for permitted transactions	1,000 x 10 500 x 29	24,500		149,874		174,374
Add : Receipts for non-permitted transactions (if any) [Refer reporting scenario 6]						
Less : Paid for permitted transactions	500 x 22	(11,000)		533,763		(544,763)
Less : Paid for non-permitted transactions (if any) [Refer reporting scenario 6]						
Less: Deposited in bank accounts	1,000 x 28 500 x 436	(246,000)		2,000		(248,000)
Closing balance as at 30th December 2016		-		310,793	2000 x 17 500 x 103 100 x 532 50 x 73 10 x 526 COINS-319	310,793

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Notes to Consolidated Financial Statements as at and for the year ended 31st March 2017

(Rs. In Million)

Note 47 : 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.

1. Electrical Cables
2. Communication Cables
3. Copper Rods
4. Others

The above business segments have been identified considering

1. The nature of the product/services
2. The Related risks and returns
3. The Internal financial reporting systems

Revenues 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 segment on a reasonable basis have been included under "Unallocable Assets / Liabilities".

A. Primary Segment information for the year ended 31 March. 2017

	Electricable Cables		Communication cables		Copper Rod		Others		Elimination/ Unallocable		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
REVENUE												
External	21,778.0	20,940.3	3,685.1	3,454.8	830.4	965.2	413.9	386.7	-	-	26,707.5	25,747.3
Inter-Segment (Net of Excise)	-	-	468.7	421.0	4,304.6	4,455.1	-	-	(4,773.3)	(4,876.1)	-	-
Less : Excise Duty	1,194.3	1,101.2	448.6	398.6	610.9	635.0	5.3	9.3	-	-	2,259.1	2,144.1
Total Revenue	20,583.7	19,839.1	3,705.2	3,477.2	4,524.1	4,785.3	408.6	377.4	(4,773.3)	(4,876.1)	24,448.4	23,603.2
RESULTS												
Segment Results	4,309.2	3,368.5	333.6	400.9	16.3	18.1	566.9	655.6	-	-	5,226.0	4,443.1
Other Unallocable expenditure (Net)	-	-	-	-	-	-	-	-	-	-	146.3	191.6
Interest Expenses	-	-	-	-	-	-	-	-	-	-	42.9	89.4
Profit before Taxes	-	-	-	-	-	-	-	-	-	-	5,036.9	4,162.2
Tax Expenses	-	-	-	-	-	-	-	-	-	-	1,034.4	875.3
Profit after Tax	-	-	-	-	-	-	-	-	-	-	4,002.5	3,286.9
OTHER INFORMATION												
Segment Assets	8,421.3	8,032.2	1,193.6	1,026.1	317.5	127.8	3,953.1	3,060.4	10,409.1	8,740.7	24,294.6	20,987.2
Segment Liabilities	2,410.6	2,635.0	400.9	477.8	34.9	67.1	39.3	47.7	-	-	2,885.8	3,227.6
Capital Expenditure	166.5	4.8	23.6	78.8	6.3	-	113.1	69.0	-	-	309.5	152.6
Depreciation	403.1	426.2	60.7	37.4	0.2	0.2	16.4	116.2	-	-	480.3	579.9



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Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2017

B. Secondary Segment information (by Geographical Segment)

Particulars	(Rs. In Million)	
	Year ended 31st March, 2017	Year ended 31st March, 2016
REVENUE (Net of Excise)		
Export	316.1	416.5
Domestic	26,391.4	25,330.8
Total	26,707.5	25,747.3
TRADE RECEIVABLES		
Exports	24.5	-
Domestic	1,219.4	1,259.2
Total	1,243.9	1,259.2

Note :

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

Note 48 : Disclosure as per Accounting Standard Ind AS 19

The following table sets out the status of Gratuity Plans as required under Ind AS 19.

Statement showing changes in Present Value of obligations as on 31st March 2017	(Rs. in Million)	
	As at 31st March, 2017	As at 31st March, 2016
Present value of obligations at the beginning of the year	136.1	121.6
Interest Cost	11.0	9.7
Current service cost	10.1	9.1
Benefits paid from the Fund	(13.1)	(9.5)
Actuarial (gain)/loss on obligations	18.5	5.2
P.V. of obligations as at end of year	162.6	136.1
Table showing changes in the fair value of plan assets as on 31st March 2017		
Fair value of plan assets at the beginning of the year	126.5	95.6
Expected return on plan assets	10.2	7.6
Contributions	12.8	31.0
Benefits paid	(13.1)	(9.5)
Return on Plan Assets, Excluding Interest Income	0.2	1.8
Fair value of plan asset at end of year	136.5	126.5
Funded status	100.0%	100.0%
Actuarial Gain/Loss recognised		
Actuarial gain/(Loss) for the year - obligation	(18.5)	(5.2)
Actuarial gain/(Loss) for the year - plan assets	0.2	1.8
Total gain/(Loss) for the year	(18.3)	(3.5)

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Notes to Consolidated Financial Statements as at and for the year ended 31st March 2017

Actuarial gain/(Loss) recognised in the year	(18.3)	(3.5)
Amounts to be recognised in the Balance Sheet		
Present Value of obligations as at the end of the year	162.6	136.1
Fair value of plan assets as at the end of the year	136.5	126.5
Funded Status	(26.0)	(9.6)
Net Asset/(Liability) recognised in balance sheet	(26.0)	(9.6)
Expenses Recognised in statement of Profit & Loss Account		
Current Service Cost	10.1	9.1
Interest Cost	0.8	9.7
Expected return on plan assets	-	(7.6)
Net Actuarial(gain)/Loss recognised in the year	-	3.5
Expenses recognised in statement of Profit & Loss	10.9	14.6
Table showing administration of Plan Assets		
Administered by LIC	136.5	126.5
Total	136.5	126.5
Actuarial Assumptions:		
Discounted Rate	7.2%	8.1%
Rate on return on assets	7.2%	8.1%
Salary escalation	7.0%	7.0%
Attrition rate	15.0%	15.0%
Mortality	Indian Assured Lives Mortality (2006-08)Ultimate	

	As on 31st March				
	2017	2016	2015	2014	2013
Experience adjustments					
On plan liability gain/(loss)	(18.5)	(5.2)	(17.5)	4.6	(5.9)
On plan asset gain/(loss)	0.1	1.8	(0.4)	(1.0)	0.3

As per actuarial valuation report, Expected employer's contribution in next year is Rs. 26.02 million (previous year Rs. 9.62 million)



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Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2017

Privileged Leave (Compensated absence for employee):

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

(Rs. In million)

	As at 31st March, 2017
Opening balance of compensated absences (a)	63.2
Present value of compensated absences as at the year end (b)	78.9
(Excess)Unfunded liability of Compensated Absences recognised in Statement of Profit and Loss for the year (b-a)	(15.7)
Add Company share of present of compensated absence as at the year end of Finolex J-Power System Private Limited (c)	-
Total Present Value of Compensated absences as at the year end (d=b+c)	78.9

The privileged leave liability is not funded

Notes 49 - Previous year figures have been regrouped / reclassified to confirm to current year's classification.

As per our report of even date

For and on behalf of Board of directors **Finolex Cable Ltd.**

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

S. K. Asher
P. R. Rathi
P. G. Pawar
A. J. Engineer
Namita Thapar

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

Ravi Kapoor
Partner
Membership No. 040404
Pune: 30th May 2017

R.G.D'Silva
Company Secretary & President (Legal)
Pune: 30th May 2017

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NOTICE

NOTICE is hereby given that the Forty-Ninth Annual General Meeting of Members of Finolex Cables Limited will be held on Thursday, 28th September, 2017 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 (including the consolidated financial statements) of the Company for the financial year ended 31st March, 2017 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, 2017.
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 and pursuant to the recommendation of the Audit Committee, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, [Firm Registration No. 117366W / W100018], be and are hereby appointed as Auditors of the Company to hold office from the conclusion of the Forty-Ninth Annual General Meeting till the conclusion of the Fifty-Fourth Annual General Meeting of the Company to be held in the financial year 2022-23 on such remuneration plus taxes, out-of-pocket, travelling and living expenses, etc., as shall be fixed by the Board of Directors of the Company (the "Board") from time to time, provided that their appointment shall be subject to ratification at every Annual General Meeting if so required under the Act.

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

SPECIAL BUSINESS

5. To consider, and, if thought fit, to pass, the following resolution as an Ordinary Resolution:
"RESOLVED THAT 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, Mr. Sumit N. Shah [DIN: 00036387], who was appointed as an Additional Director by the Board of Directors of the Company (the "Board") with effect from 14th February, 2017 and who holds office upto the date of this Annual General Meeting and, who is eligible for appointment 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 his 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 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, Mr. Shishir Lall [DIN: 00078316], who was appointed as an Additional Director by the Board of Directors of the Company (the "Board") with effect from 30th May, 2017 and who holds office upto the date of this Annual General Meeting and, who is eligible for appointment 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 his 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."
7. To consider, and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of Securities and Exchange Board of India (Listing Obligation and Disclosures Requirements) Regulations, 2015, Mr. Sumit N. Shah [DIN: 00036387], who was appointed as an Additional Director by the Board of Directors of the Company (the "Board") and holds such office till the conclusion of this Annual General Meeting be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years with effect from the date of this Annual General Meeting of the Company."
8. To consider, and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of Securities and Exchange Board of India (Listing Obligation and Disclosures Requirements) Regulations, 2015, Mr. Shishir Lall [DIN: 00078316], who was appointed as an Additional Director by the Board of Directors of the Company (the "Board") and holds such office till the conclusion of this Annual General Meeting be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years with effect from the date of this Annual General Meeting of the Company."



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9. To consider, and, if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the recommendation of the Audit Committee and the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the applicable Rules framed under the Act and subject to the approval of the Central Government or such other Authority as may be necessary or prescribed in this regard, consent of the Company be and is hereby accorded to the appointment of Mr. K. P. Chhabria to hold and to continue to hold an office or place of profit as "Advisor" to the Company with effect from 1st October, 2017 upon the terms and conditions, including fees/remuneration to be paid to him in this regard as set out in the Explanatory Statement attached to this Notice and detailed in the draft Agreement to be entered into between the Company and Mr. K. P. Chhabria which draft Agreement is placed before this meeting under the initials of the Chairman for the purpose of identification and is hereby specifically approved with liberty to the Board of Directors of the Company (the "Board") to, subject to the approval of the Central Government or such other authority as may be necessary or prescribed in this regard, at any time vary the terms and conditions of the Agreement in such manner as may be agreed to between the Board and Mr. K. P. Chhabria.

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

10. 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, the provisions of 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 as may be necessary in this regard, the Members of the Company hereby ratify a consolidated remuneration of Rs.5.00 Lakhs (Rupees Five Lakhs 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, 2018.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do or to authorise 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."

11. To consider, and, if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Article 121(2) and other applicable provisions, if any, of the Articles of Association of the Company and the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the applicable Rules made thereunder and subject to approval of the Central Government, if required, approval of the Company be and is hereby accorded for the payment, to Directors and Alternate Directors (who are neither in the whole-time employment nor Managing Directors of the Company) of remuneration, in addition to sitting fees for each meeting of the Board of Directors of the Company (hereinafter referred to as the "Board"), by way of commission, not exceeding one percent of the net profit of the Company or Rupees One Crore, whichever is lower, as may be determined by the Board in each financial year, calculated in accordance with the provisions of the Act, such commission being divisible amongst the Directors and Alternate Directors as aforesaid, in such proportion as the Nomination and Remuneration Committee may recommend and the Board may determine or, failing such determination, equally amongst them;

AND RESOLVED FURTHER THAT the Board be and is hereby authorised to exercise all such powers and authorities and to execute all deeds, documents and other writings and to do or to authorise any person to do all such acts, deeds, matters and things as may be considered necessary, relevant, usual, customary, proper and/or expedient to give effect to the aforesaid resolution and for matters connected therewith or incidental thereto."

AND RESOLVED FURTHER THAT this resolution shall be effective for a period of five years from the accounting year commencing from 1st April 2016 (i.e. financial year 2016-17)."

12. 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 provisions of Companies (Prospectus and Allotment of Securities) Rules, 2014 the Companies (Share Capital and Debentures) Rules, 2014 including any modification(s) or reenactments thereof for the time being in force and subject to the provisions of SEBI (Issue and Listing of Debt Securities) Regulations 2008 and of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 and the Rules, Regulations, Guidelines, circulars and clarifications, as may be issued from time to time by SEBI and/or other appropriate Authority(ies) and 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 an amount of 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 authorised to do all such acts, deeds, matters and things and to execute or authorise 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."

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13. 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:

“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 the provisions of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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”), to authorise the Management of the Company to carry out transaction(s) in the Company’s 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 authorised 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, proper 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 : 30th May, 2017

Registered Office:
26/27, Mumbai-Pune Road,
Pimpri, Pune - 411018.
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 Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 setting out the material facts concerning Item No.4 of ordinary business and for each item of the special business mentioned under item Nos. 5 to 13 of the Notice is annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will be closed from Monday, 18th September, 2017 to Thursday, 28th September, 2017 (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 30th May, 2017 has recommended the payment of dividend on equity shares at 150% (i.e. @ Rs.3/- per equity share of Rs.2/- each fully paid up) for the financial year ended 31st March, 2017. 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 27th October, 2017 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 Saturday, 16th September, 2017).
5. The Members are requested to:
- intimate to the Company / M/s Karvy Computershare Pvt Ltd, Hyderabad, Registrar and Share Transfer Agent (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 to avoid inconvenience;
 - quote Ledger Folio Numbers/DP Identity and Client Identity Numbers in all their correspondence;
 - approach the Company / M/s Karvy Computershare Pvt Ltd for consolidation of folios, if shareholdings are under multiple folios;
 - 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;



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- 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;
 - 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/M/s Karvy Computershare Pvt Ltd or their 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 clear 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. In terms of Section 101 and 136 of the Companies Act, 2013 read together with the Rules made thereunder, the listed companies may send the notice of annual general meeting and the annual report, including Financial Statements, Board Report, etc. by electronic mode. The Company is accordingly forwarding soft copies of the above referred documents to all those members, who have registered their email IDs with their respective depository participants or with the share transfer agent of the Company.

Further, to receive shareholders' communications through electronic means, including annual reports and notices, members are requested to kindly register/update their email address with their respective depository participant, where shares are held in electronic form. If, however, shares are held in physical form, members are advised to register their email address with Karvy Computershare Pvt Ltd, Email ID: einward.ris@karvy.com.

Further 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 self certified 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 self certified 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. Also, 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 2009, each of which were remaining unpaid or unclaimed for a period of seven years have, from time to time, been transferred by the Company to the Investor Education and Protection Fund of the Central Government (the "Fund") upon expiry of the period prescribed in this regard.

Further, 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, 2010 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 aforesaid to 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, 2010 (which is to be transferred to the Fund within one month from 13th September, 2017) 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, MICR number/IFSC code 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.**

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

1. In terms of the provisions of section 108 of the Companies Act, 2013 (the Act), read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing facility of remote e-voting facility to exercise votes on the items of business given in the Notice through electronic voting system, to members holding shares as on 21st September, 2017 (End of Day), being the Cut-off date for the purpose of Rule 20(4)(vii) of the Rules fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by Karvy Computershare Pvt. Ltd. (Karvy) or to vote at the annual general meeting. A person who is not a Member as on the cut-off date should

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treat this Notice for information purposes only.

The instructions for remote e-voting are as under:

A. For members who receive notice of annual general meeting through e-mail:

- i. Use the following URL for e-voting: <https://evoting.karvy.com>
- ii. Enter the login credentials, i.e., User ID and Password mentioned in your email. Your Folio No/DP ID Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and Password for casting your votes.
- iii. After entering the details appropriately, click on LOGIN.
- iv. You will reach the Password change menu, wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). It is strongly recommended in your own interests not to share your password with any other person and take utmost care to keep your password confidential.
- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the EVENT, i.e., Finolex Cables Limited.
- vii. On the voting page, the number of shares (which represents the number of votes) as held by the member as on the cutoff date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, then enter all shares and click 'FOR' or 'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.
- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- ix. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.
- x. Corporate/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 authorised signatory(ies) who are authorised to vote, to the scrutiniser through e-mail: deulkarcs@gmail.com They may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'Corporate Name_EVENT No.'
- xi. Remote e-voting facility where members can cast their vote online shall be open from Monday, 25th September, 2017 (9.00 a.m.) till Wednesday 27th September, 2017 (5.00 p.m.) and at the end of remote e-voting period, the facility shall forthwith be blocked.
- xii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and e-Voting User Manual available at the 'download' section of <https://evoting.karvy.com> or call Karvy Computershare Pvt. Ltd. on 1800 345 4001 (toll free).

B. For members who receive the notice of annual general meeting in physical form:

- i. Members holding shares either in demat or physical mode, who are in receipt of notice in physical form, may cast their votes using the e-voting facility, for which the User Id and Initial password is provided on the attendance slip. Please follow steps from Sr. No. (i) to (xii) under heading A above to vote through e-voting platform.

C. Voting facility at Annual General Meeting:

- i. In addition to the remote e-voting facility as described above, the Company shall make a voting facility available at the venue of the annual general meeting and members attending the meeting, who have not already cast their votes by remote e-voting, shall be able to exercise their right at the meeting.
- ii. Members who have cast their votes by remote e-voting prior to the meeting may attend the meeting, but shall not be entitled to cast their vote again.

D. General Instructions:

- i. The Board of Directors has appointed Mr. S. V. Deulkar, Practising Company Secretary (CP No. 965) or failing him Mr. Shridhar Mudaliar Practising Company Secretary (CP No. 2664) of M/s.SVD & Associates, Company Secretaries as the Scrutiniser to the e-voting process, and voting at the venue of the annual general meeting in a fair and transparent manner.
- ii. The Scrutiniser shall, immediately after the conclusion of voting at the annual general meeting, first count the votes cast at the meeting, thereafter unlock the votes through e-voting in the presence of at least two witnesses, not in the employment of the Company and make, not later than three (3) days from the conclusion of the meeting, a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Executive Chairman of the Company or a person authorised by him in writing, who shall countersign the same.



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- iii. The Scrutiniser shall submit his report to the Chairman, who shall declare the result of the voting. The results declared along with the Scrutiniser's Report shall be placed on the Company's website www.finolex.com and on the website of Karvy <https://evoting.karvy.com> and shall also be communicated to the stock exchanges. The resolution shall be deemed to be passed at the annual general meeting of the Company, scheduled to be held on Thursday, 28th September, 2017.
 - iv. The Company shall cause a requisite public notice by way of an advertisement to be published on or before 4th September, 2017 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 28th September, 2017.
13. **Reappointment of Director:**

At the ensuing Annual General Meeting, Mr. Mahesh Viswanathan [DIN: 02780987] retires by rotation and, being eligible, offers himself for reappointment. The information or details to be provided pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2016 is set out hereinafter.

(a) Brief Resume of the Director

Mr. Mahesh Viswanathan is aged 57 years and joined the services of the Company as Chief Financial Officer on 15th October, 2008. Mr. Mahesh Viswanathan is a Chartered Accountant having a number of years experience in Industry including Management, Finance and Taxation matters. He has worked in number of leading companies in India and also has international experience in multinational companies. Mr. Mahesh Viswanathan is also a Director (nominee director of the Company) on the Boards of Finolex J-Power Systems Private Limited and Corning Finolex Optical Fibre Private Limited.

(b) Nature of his expertise in specific functional areas

Mr. Mahesh Viswanathan is having a number of years experience in Industry including Management, Finance and Taxation matters. He has worked in number of leading companies in India and also has international experience in multinational companies.

(c) Disclosure of relationships between Directors inter se

None of the Directors are related to Mr. Mahesh Viswanathan.

(d) Names of listed entities in which the person also holds the Directorship and the Membership of Committees of the Board.

Mr. Mahesh Viswanathan does not hold any directorship in any listed entities except for the Company and also does not hold any membership of Committees of the Board in any other listed entity.

(e) Shareholding in the Company

Mr. Mahesh Viswanathan does not hold beneficial interest in any shares in the Company.

The Board recommends his reappointment on the Board of Directors of the Company designated as Deputy Managing Director & Chief Financial Officer and liable to retire by rotation.

None of the Directors or Key Managerial Personnel of the Company and/or their relative/s is/are in any way, concerned or interested, financially or otherwise in the resolution to be passed with regard to Item No.3 of the Notice.

EXPLANATORY STATEMENT IN RESPECT OF ITEM NO.4 OF ORDINARY BUSINESS AND FOR ITEM NOS. 5 TO 13 OF SPECIAL BUSINESS OF THE NOTICE PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.4

Under the provisions of Section 139 of the Companies Act, 2013 (the "Act") the Company being a listed company is required to appoint a new Auditor in place of the existing Auditors namely: M/s B K Khare & Co., Chartered Accountants, who would be completing their tenure as such in the Company at ensuing Annual General Meeting of the Company in the year 2017. Accordingly, in pursuance to the provisions of the Act read with the provisions of the Companies (Removal of Difficulties) Third Order, 2016 issued on 30th June, 2016 by the Government of India, Ministry of Corporate Affairs ("MCA") and made effective from 1st April, 2014, the Board of Directors of the Company (the "Board") has, pursuant to the Company receiving letter dated 24th March, 2017 from M/s Deloitte Haskins & Sells LLP, Chartered Accountants confirming their eligibility and consent to being appointed as Auditors of the Company for five financial years from 1st April, 2017 to 31st March, 2022 and pursuant to the recommendation in this regard by the Audit Committee and subject to the approval of the Members at the ensuing Annual General Meeting of the Company, appointed M/s Deloitte Haskins & Sells LLP as the Auditors of the Company for the said period subject to necessary ratification by the Members at each Annual General Meeting of the Company that are held during the said period. The explanatory note is being given by the Company as a matter of good corporate governance.

Item No.5

Mr. Sumit N. Shah [DIN: 00036387] was appointed with immediate effect as an Additional Director by the Board of Directors of the Company (the "Board") at its meeting held on 14th February, 2017. His 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. Mr. Sumit N. Shah holds office of Director upto the date of this Annual General Meeting. The Company has received a notice from a member in

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pursuance of Section 160(1) of the Act signifying his intention to propose the appointment of Mr. Sumit N. Shah as Director of the Company along with a deposit of Rupees One Lakh only which shall be refunded to the concerned member if Mr. Sumit N. Shah is elected as Director.

Mr. Sumit N. Shah is aged 42 years and holds a Bachelors Degree from Bentley College, Boston. He is the Managing Director of Renaissance Jewellery Limited. He is also Director in some other companies namely: Anived Trade Impex Private Limited, House Full Supply Chain Management Limited, Suanik Multicomm Impex Private Limited and Renaissance Jewellery Bangladesh Private Limited and a Partner of M/s Sumit Diamond. He has vast experience and valuable contacts in Export business particularly of gems and jewelry. He does not hold any shares in the Company.

The Board recommends his appointment as a Director on the Board of Directors of the Company and liable to retire by rotation.

Item No.6

Mr. Shishir Lall [DIN: 00078316] was appointed with immediate effect as an Additional Director by the Board of Directors of the Company (the "Board") at its meeting held on 30th May, 2017. His 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. Mr. Shishir Lall 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 Mr. Shishir Lall as Director of the Company along with a deposit of Rupees One Lakh only which shall be refunded to the concerned member if Mr. Shishir Lall is elected as Director.

Mr. Shishir Lall [DIN: 00078316] aged about 58 years, is a graduate from St. Stephen's College, New Delhi and has about over thirty years rich experience in the Corporate World. Starting his career with Brooke Bond India Limited (Uniliver) as Deputy Regional Manager, he moved to PepsiCo to handle Sales and spearheaded that company's endeavour to outstrip Coke, through meticulous marketplace execution to become India's No.1 brand of soft drinks. He also held the position of International Vice President – Franchise Operations – South Asia Business Unit at PepsiCo and rose to the position of Executive Director which post was held by him from 1990 to 1999. He was the president of Zip Telecom and the Managing Director of Worldspace India. Mr. Shishir Lall specializes in Brand Building Distribution, Franchise Management and Leadership. He has travelled across the world and worked with different cultures with a focus on gaining leadership in a rapidly changing marketplace environment. He does not hold any shares in the Company.

The Board recommends his appointment as a Director on the Board of Directors of the Company and liable to retire by rotation.

Item Nos. 7 & 8

Two of the Independent Directors of the Company namely: Mr. Adi J. Engineer aged 79 years and Mr. Atul C. Choksey aged 65 years have ceased to be on the Board of Directors of the Company due to their age and other commitments.

Mr. Sumit N. Shah and Mr. Shishir Lall are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013 (the "Act") and have given their consent to act as Directors. The Company has received declarations from Mr. Sumit N. Shah and Mr. Shishir Lall that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act.

Pursuant to the recommendation in this behalf of the Nomination and Remuneration Committee in their meeting held on 30th May, 2017 it is proposed to appoint Mr. Sumit N. Shah and Mr. Shishir Lall as Independent Directors under Section 149 of the Act to hold office for 5 (five) consecutive years with effect from the date of this Annual General Meeting of the Company. Mr. Sumit N. Shah and Mr. Shishir Lall, upon their appointment as Independent Directors, shall not be liable to retire by rotation.

In the opinion of the Board, Mr. Sumit N. Shah and Mr. Shishir Lall fulfill the conditions for appointment as Independent Directors as specified in the Act. Mr. Sumit N. Shah and Mr. Shishir Lall are independent of the management of the Company.

Brief resume of Mr. Sumit N. Shah and Mr. Shishir Lall, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se are provided under the Notes to Item No.5 and 6 hereinabove.

Copy of the draft letters for respective appointments of Mr. Sumit N. Shah and Mr. Shishir Lall as Independent Directors setting out the terms and conditions are available for inspection by Members at the Registered Office of the Company.

Mr. Sumit N. Shah and Mr. Shishir Lall are deemed to be interested in the resolutions set out respectively at Item Nos. 5 to 8 of the Notice with regard to their respective appointments.

The relatives of Mr. Sumit N. Shah and Mr. Shishir Lall may be deemed to be interested in the resolutions set out respectively at Item Nos. 5 to 8 of the Notice, to the extent of their respective shareholding interest, if any, in the Company. Save and except for the above, none of the other Directors/Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, whether financially or otherwise, in the said resolutions.

The Board recommends the Ordinary Resolutions set out at Item Nos. 7 and 8 of the Notice for approval by the Members of the Company.

Item No.9

Mr. K. P. Chhabria aged about 83 years, is a technocrat and well known industrialist having over six decades of very wide technical and industrial experience. His keen interest in continuous improvement in the quality of products and technological upgradation of facilities ensures state of the art manufacturing capabilities. During his long tenure spanning so many decades in Industry, Mr. K. P. Chhabria has over the years developed close and cordial relations with foreign equipment manufacturers/suppliers, government departments, bodies and agencies both within the Country as well as international. This would facilitate the business interests of the Company in various spheres like technical matters and in obtaining of various consents, approvals, licences, permits and sanctions, etc that are required by the Company from time to time whether for implementing new projects or for effective maintenance and running of various plants/units of the Company.



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In order that the Company could gain from Mr. K. P. Chhabria's technical knowledge, business acumen and guidance, it is proposed to appoint him as "Advisor" to the Company effective from 1st October, 2017. In view of Mr. K. P. Chhabria being the father of Mr. D. K. Chhabria, Executive Chairman of the Company the matter would require the approval of the Audit Committee of Directors which has been accorded at its meeting held on 30th May, 2017.

The Board has subject to approval of the shareholders and also the approval of the Central Government or such other authority as may be necessary or prescribed in this regard, appointed Mr. K. P. Chhabria as Advisor with effect from 1st October, 2017 on the following terms and conditions:

1. Mr. K. P. Chhabria is appointed as "Advisor" to the Company for a period of five years with effect from 1st October, 2017.
2. The Advisor shall exercise and perform such duties and obligations as the Board and/or the Executive Chairman shall from time to time determine, presently as set out below:
 - a) to make available his decades of experience, guidance and inputs in policy planning vision, strategy and long term development activities of the Company;
 - b) to advise, guide and make available his administrative and management expertise to the Company and to mentor the Senior Management/Managers of the Company especially those heading or handling the technical aspects and various manufacturing facilities in the light of the business purposes of the Company;
 - c) To suggest and interview candidates for senior management positions when desired by the Company;
 - d) to visit the various Plants/Manufacturing Units of the Company for creating goodwill and enhancing the morale of the Company's personnel, when desired by the Company;
 - e) to use his good offices and contacts both within the Country as well as international for facilitating the business interests of the Company;
 - f) to provide technical inputs in selection of machinery, technology transfer, manpower training, project planning, etc for conceiving and implementation of new projects of the Company;
 - g) to facilitate cordial relations of the Company with its distributors, channel partners, dealers and the like for enhancing the effectiveness of the distribution channel of the Company, and
 - h) to render advice on any other issue or matter as may be incidental or supplemental to the aforesaid, in the beneficial interests of the Company.
3. During the tenure of the Agreement, the Advisor shall devote his time and attention to the business and affairs of the Company and shall use his best endeavours to promote its interests and welfare.
4. The Company shall pay or cause to pay to the Advisor during the continuance of the Agreement in consideration of the performance of his duties and obligations, Fees of Rs.21,00,000/- (Rupees Twenty One Lakhs only) per month. The said fees shall be subject to Income Tax, Goods and Services Tax and such other taxes and/or levies as may be or become applicable from time to time.
5. In addition to the aforesaid monthly fees, the Advisor shall be entitled for the following:
 - a) free use of motor car with driver provided by the Company for business purpose; the Company meeting all running, maintenance and other expenses of every kind whatsoever incurred in respect thereof. Use of car for personal purpose shall be billed by the Company to the Advisor;
 - b) free telephone facility at residence. All charges including rental, call charges, etc. thereof shall be paid by the Company in full; personal long distance calls shall be billed by the Company to the Advisor, and
 - c) reimbursement of travelling expenses both local and international for business purpose of the Company which shall be subject to the limits as set out in the Rules of the Company applicable to its Directors.
6. During the term of the Agreement the Company shall make available to the Advisor suitable office with infrastructure and also make available secretarial and other services to enable effective discharge of his obligations hereunder by the Advisor.
7. The monthly fees and payments as per clauses 4 and 5 above are subject to provisions of the Companies Act, 2013 and Rules framed thereunder (the "Act") or any amendment thereto or reenactment thereof from time to time and are also subject to the approval of the Shareholders in General Meeting and of the Central Government under the Act.
8. The Advisor shall also be entitled to reimbursement of reasonable entertainment or other business promotion expenses actually incurred in the course of the business of the Company.
9. The Advisor shall not so long as he functions as such become interested or otherwise concerned directly or through any of his relatives (including his wife and/or minor children) in any selling agency of the Company without the prior approval of the Central Government or other prescribed Authority.
10. During the term of the Agreement and for a period of five years thereafter, the Advisor shall not carry on any business similar to the business carried on by the Company nor shall the Advisor promote or form or be associated in the promotion or formation of any new company, body corporate, firm or entity for pursuing objects which are identical to or similar to the main objects of the Company nor shall the Advisor in any way associate himself with any company, corporate body, partnership firm or other entity which is carrying on business or intends to carry on any business in competition with the business carried on by the Company.

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11. a) The Advisor shall keep the secrets of the Company and its associate companies and shall not either during the term of the Agreement or at any time after the termination thereof divulge any matters or things relating to the business or interests of the Company or its associated companies to any person or utilise any secret or confidential knowledge or information acquired in consequence of either his past engagement/association with the Company or the services rendered hereunder to the detriment or prejudice of the Company or its associated companies and shall during the continuance of the Agreement prevent any person from doing so.
 - b) The Advisor shall also keep the secrets of any company, firm or person with whom the Company or its associated companies may at any time during the continuance of the Agreement be in commercial or technical collaboration, cooperation or association and the Advisor hereby expressly binds himself both during the period of the Agreement with the Company and at all times after the termination thereof not to divulge any matters or things relating to the business or interests of any such company, firm or person to any person or to utilise any secret or confidential knowledge or information acquired in consequence of either his past engagement/association with the Company or the services rendered hereunder to the detriment or prejudice of any such company, firm or person.
 12. If the Advisor shall at any time be prevented by ill health or accident from performing his duties hereunder, he shall inform the Company and supply it with such details as it may reasonably require.
 13. The arrangement under the Agreement shall forthwith determine if the Advisor shall become insolvent or make any compromise or arrangement with his creditors.
 14. In case the Advisor shall die during the course of rendering of the services hereunder, the Company shall pay to his legal personal representatives the proportionate fees and other reimbursements payable hereunder for the then current month.
 15. In either of the following events, namely, if the Advisor:
 - a) be guilty of such inattention to or negligence in rendering of the services hereunder or of any other act or omission inconsistent with his duties as Advisor or any breach of the Agreement as in the opinion of the Board of Directors for the time being of the Company renders the termination of the Agreement as desirable, or
 - b) become disqualified to act as Advisor for any other material reason, the Company may by a notice in writing to the Advisor determine the Agreement with immediate effect.
 16. It is clarified therein that the Agreement is purely a commercial contract and the Advisor shall not be deemed to be an employee of the Company under the Agreement and the arrangement envisaged hereunder shall have no relationship of employer/employee or master/servant with the Company.
 17. Notwithstanding anything contained in the Agreement no substantial powers of management or powers of an administrative or ministerial nature are vested in the Advisor and he shall not have any power to either enter into any transaction on behalf of the Company or to accept or give any loan/financial accommodation whether by banking or cash transaction with any party whatsoever for or on behalf of the Company.
 18. The Agreement shall be valid for a period of five years commencing from 1st October, 2017 and ending on 30th September, 2022. However, notwithstanding anything to the contrary contained in the Agreement, the Company shall be entitled to determine the Agreement without giving any reasons, by giving to the Advisor not less than 180 days' notice in writing in that behalf, and on the expiry of the period of such notice the Agreement shall stand terminated. In lieu of said 180 days' notice, the Company may pay to the Advisor an amount equal to six months fees payable to him for the time being under clause 4 thereof.
 19. The Agreement shall be subject to the exclusive jurisdiction of the Courts at Pune.
- Mr. D. K. Chhabria is concerned or interested in this resolution as Mr. K. P. Chhabria is his father. No other Director and/or Key Managerial Personnel of the Company and/or their relatives is/are in any way concerned and/or interested in resolutions at Item No.9. The Board recommends the appointment of Mr. K. P. Chhabria as Advisor on the main terms and conditions set out in the Notice.

Item No.10

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, 2018.

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.10 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.10 of the Notice.

Item No. 11

Article 121(2) of the Articles of Association of the Company, inter alia, provides for payment of remuneration by way of commission to Director, who is neither in the whole time employment nor a Managing Director of the Company, if the Company by a Special Resolution authorises such payment.



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Section 197 of the Companies Act, 2013 (the "Act") provides, inter alia, that a Director, who is neither in the wholetime employment of a company nor a Managing Director may be paid remuneration by way of commission not exceeding one percent of the net profits of the Company, if the Company has a Managing or wholetime Director, provided such payment is authorised by a special resolution passed in that behalf. At the Annual General Meeting held on 9th September, 2014, the shareholders had earlier passed a resolution in this regard approving payment of remuneration by way of commission to such Directors upto a limit not exceeding one percent of the next profit of the Company or Rupees Fifty Lakhs whichever is less, which resolution was valid for five years.

However, having regard to the time and attention devoted by such Directors to the affairs of your Company and in view of the responsibilities cast on the Directors under the Companies Act, 2013 and Rules made thereunder, it is proposed that the shareholders approve increase in the aforesaid ceiling limit of Rupees Fifty Lakhs to Rupees One Crore or upto a limit not exceeding one percent of the net profits of the Company as calculated under the provisions of the Act, whichever is lower and that such resolution shall remain in force for a period of five years from the accounting year commencing from 1st April, 2016. The Board recommends remunerating the non whole time Directors also of your Company by payment of commission as mentioned in the said Resolution.

Since this resolution relates to the payment of remuneration to non whole time Directors, each of the Directors (who is neither in the wholetime employment nor is the Managing Director of your Company) is interested and concerned in this resolution. None of the other Directors/Key Managerial Personnel of the Company and/or their relatives are in any way whether financially or otherwise concerned or interested in this resolution.

The Board recommends the Special Resolution set out at Item No.11 of the Notice for approval by the Members.

Item No.12

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 48th Annual General Meeting held on 8th September, 2016, authorised 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.150 Crores (Rupees One Hundred Fifty 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 considering the scenario of possible reduction in interest rates as then prevailing during the financial year 2016-17, the Company had not made any private placement of non-convertible debentures pursuant to the authority accorded by the Members by the resolution passed at the 48th Annual General Meeting held on 8th September, 2016.

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.12 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.12 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.12 of the Notice.

Item No.13

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 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.
4	Nature of material terms, monetary value and particulars of the contract or arrangement	Annual purchase value at current prices is estimated at Rs.60 Crores or 1.5 Million KM Fibre quantity whichever is higher; normal credit period applicable is 30 days.

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5	<p>Any other information relevant or important for the Members to take a decision on the proposed resolution:</p> <p>Advantages for the Company by virtue of being a JV partner in CFOFPL are as under:</p> <p>(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.</p> <p>(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.</p> <p>(c) 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.</p>
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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 then 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 28th September, 2017.

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

Mr. D. K. Chhabria, Executive Chairman and Mr. Mahesh Viswanathan, presently Executive Director and Chief Financial Officer of the Company are the nominees of the Company on the Board of Directors 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 beneficial interest in 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.13 of this Notice.

By Order of the Board of Directors

Place : Pune
Dated : 30th May, 2017

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

Registered Office:
26/27, Mumbai-Pune Road,
Pimpri, Pune - 411018.
CIN: L31300MH1967PLC016531
Email: Investors@finolex.com



Finolex

Cables Limited

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PROXY FORM
Form No. MGT-11

[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 signature/s is/are appended below, as my/our proxy to attend and vote (on a poll) for me/our behalf at the 49th Annual General Meeting of the Company, to be held on Thursday, 28th September, 2017 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 (including consolidated financial statements) of the Company for the financial year ended 31st March, 2017 and the reports of the Board of Directors and Auditors thereon.		
2	Declaration of dividend @ 150% on equity shares for the financial year ended 31st March, 2017 (i.e. @ Rs 3/- per equity share of Rs.2/- each fully paid up) for the financial year ended 31st March, 2017.		
3	Appointment of Mr. Mahesh Viswanathan [DIN: 02780987], who retires by rotation, and being eligible, offers himself for reappointment.		
4	Appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, [Firm Registration No. 117366W / W100018] as Statutory Auditors as set out at Item No. 4 of the Notice.		
SPECIAL BUSINESS			
5	Appointment of Mr. Sumit N. Shah [DIN: 00036387] as Director of the Company, liable to retire by rotation.		
6	Appointment of Mr. Shishir Lall [DIN: 00078316] as Director of the Company, liable to retire by rotation.		
7	Appointment of Mr. Sumit N. Shah [DIN: 00036387] as Independent Director of the Company for a period of five consecutive years with effect from the date of this Annual General Meeting of the Company.		
8	Appointment of Mr. Shishir Lall [DIN: 00078316] as Independent Director of the Company for a period of five consecutive years with effect from the date of this Annual General Meeting of the Company.		
9	Appointment of Mr. K. P. Chhabria as Advisor of the Company with effect from 1st October, 2017.		
10	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 2017-18.		
11	Payment of commission to non whole time Directors, not exceeding one percent of the net profit of the Company or Rupees One Crore, whichever is lower, as may be determined by the Board in each financial year.		
12	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.		
13	Approval for the Company to continue to purchase optical fibre from Corning Finolex Optical Fibre Private Limited as set out at item No.13 of the Notice.		

Signed this _____ day of September, 2017

Affix
Rs.1/-
Revenue
Stamp

Signature of Shareholder

Signature of 1st proxy holder

Signature of 2nd proxy holder

Signature of 3rd proxy holder

Notes:

- 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.
- For details of the Resolutions, Explanatory Statement and Notes, please refer to Notice of the 49th Annual General Meeting.
- *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 which may not be what you desire.

TEAR HERE

FINOLEX CABLES LIMITED

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

[CIN: L31300MH1967PLC016531]

49TH ANNUAL GENERAL MEETING – THURSDAY, 28th SEPTEMBER, 2017

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 49th Annual General Meeting held on Thursday, 28th September, 2017 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/Representative'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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