SELECTED
Superbrand
INDIA 2009-10
CONSUMER VALIDATED

Finolex
Cables Limited
AN IS/ISO 9001 COMPANY

FCL:SEC:AR17-18:322
31st August, 2018

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

Dear Sirs,

We enclose an advance copy of the Annual Report for the financial year 2017-18 together with Notice and Explanatory Statement thereto in respect of the Fiftieth Annual General Meeting (AGM) of the Company (included therein at Page No.183), which is scheduled to be held at the Auditorium of Auto Cluster Development and Research Institute, H Block, Plot C-181, Near D Mart, Chinchwad, Pune - 411019 on Tuesday, 25th September, 2018 at 11.30 a.m. to transact the business as set out in the Notice.

Kindly acknowledge receipt.

Thanking you,

Yours faithfully
For FINOLEX CABLES LIMITED

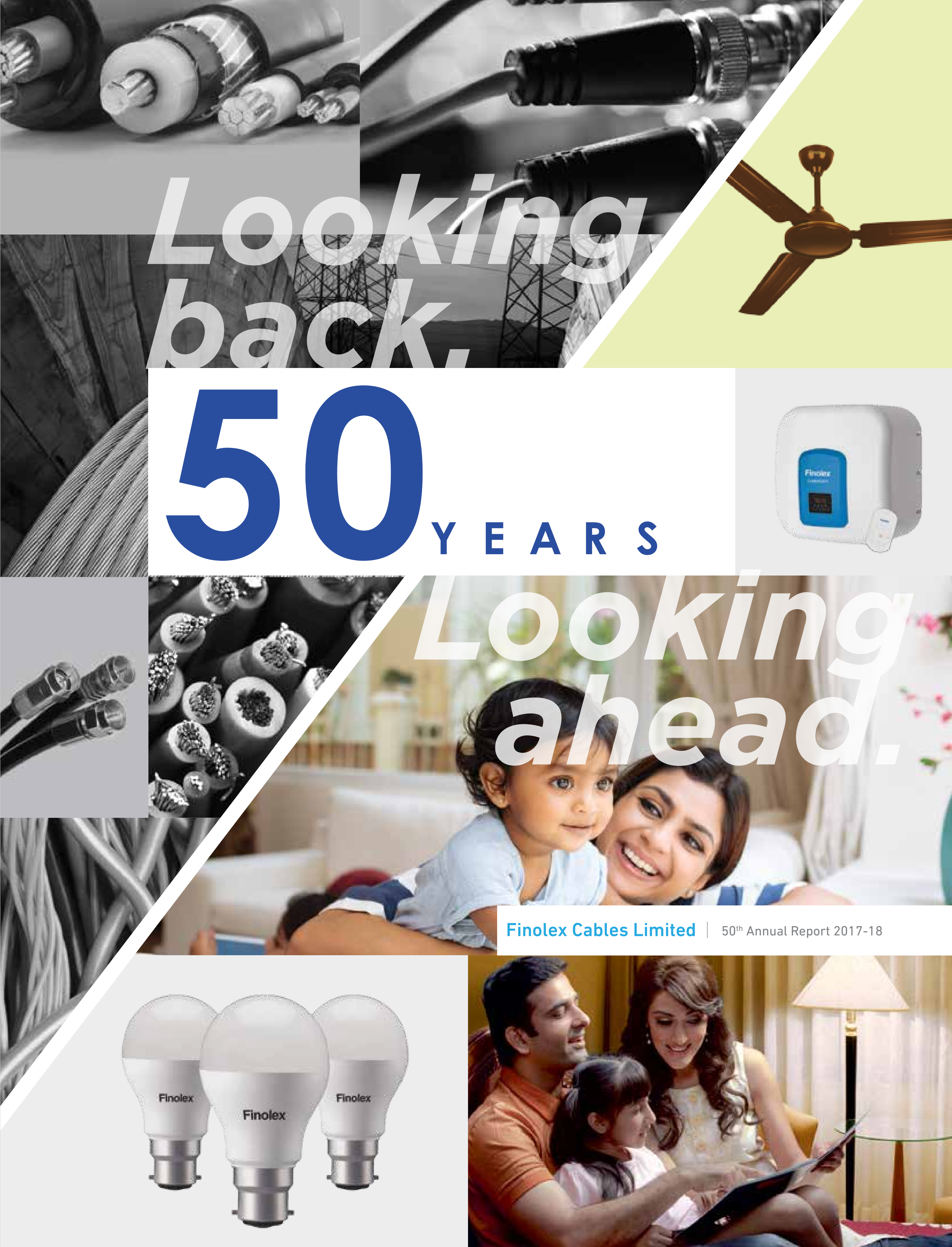
R G D'SILVA
Company Secretary
& President (Legal)

Encl : As above.

Regd.Office : 26-27, Mumbai-Pune Road, Pimpri, Pune- 411 018. India. Tel. : 91-20-27475963.
Fax: 020-27470344,27472239. Website:www.finolex.com Email:sales@finolex.com
CIN No. : L31300MH1967PLC016531

Finolex gets people together

Looking back, 50 YEARS Looking ahead.



Finolex Cables Limited | 50th Annual Report 2017-18

Forward-looking Statement

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events. The Company has sourced the industry information from the publicly available resources and has not verified those information independently.

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To download or view this report, please log on to www.finolex.com

Looking back.

As India's foremost wires and cables manufacturer, Finolex Cables stands as a proud testimony to growth driven by innovation, expansion and technology. 50 years ago, when India was yet to open up to the world, we planted the seeds of world-class manufacturing in India. Guided by our steadfast brand commitment of Quality, Safety and Reliability, we built vertically integrated operations and forged lasting collaborations with leading global technology players. Our proactive focus on developing capabilities and diversifying our product suite enabled us to consistently meet evolving market requirements.

Looking ahead.

Our rich legacy of leadership, reputation and experience propels us to seize tomorrow. The India story provides exciting opportunities to scale our core business of wires and cables. We are also increasingly looking to develop and grow our electrical goods business and emerge as a B2C player. Our product profile is set for transformation, while ensuring that our brand promise of Quality, Safety and Reliability remains as strong as when we started 50 years ago. We are embracing digitisation across all facets of our business. Powered by our strong foundation and new vigour, we will diversify and extend our growth further.

Chairman's Message

PAT (Rs. in Crores) ↑13.3%

358 in FY 2017-18

316 in FY 2016-17

Net Revenue (Rs. in Crores) ↑8.7%

3,012 in FY 2017-18

2,771 in FY 2016-17

Dear Shareholders,

It is with immense pleasure and pride that I present this Annual Report as Finolex Cables completes 50 years of operations. Our five-decade growth is an inspiring journey of turning challenges into opportunities and setbacks into success. All along the way, despite changing market dynamics, we have remained true to the guiding principles of our Founders: never compromise on quality and create market-leading products. Their vision of excellence has been at the heart of our culture for innovation, expansion and modernisation and will continue to be the North Star for our onward journey. We are also proud of the Finolex way of working - maintaining transparency both within the organisation as well as outside and thereby engendering trust and credibility.

Revenue (Rs. in Crores)

↑ **4.23%**

5 years CAGR

PBT (Rs. in Crores)

↑ **24.16%**

5 years CAGR

Share price (NSE)*

↑ **71.41%**

5 years CAGR *Last trading day

During the year under review, India completed a special milestone when one of the biggest reforms in history came to life with the rollout of the much awaited Goods and Services Tax (GST). While the temporary disruptive nature of the GST, along with the lingering after-effects of demonetisation slowed down GDP growth, finishing at under 7%, India's long-term prospects remain bright. The Government's intense focus on stabilising GST as well as other wide-ranging reforms should encourage pick-up in investment and robust consumption to spur growth.

We are pleased to share that your Company successfully navigated the challenges of GST implementation. Total revenue increased to Rs. 3,012 Crores in FY 2018 as against Rs. 2,771 Crores in the previous year, growing by 8.7% on year-on-year basis. In the backdrop of muted growth in the wires and cables industry, our performance demonstrates our business resilience. Profit after Tax (PAT) grew by 13.3% led by our continued focus on cost control and operational efficiencies. Our investment in branding is also rewarding us well as we are able to command better prices, leading to improved profit margins.

Product diversification has long been our strategy to build a stronger and more stable business. Within our cables segment, our product portfolio is all encompassing, serving diverse industrial and domestic requirements. Going beyond cables, a whole gamut of electrical products, including switches, MCBs, lighting products, fans and water heaters is now available from the Finolex stable. We are pushing the reach of our electrical products through our vast distribution network while also building a separate network for every product line. Electrical product portfolio expansion will continue on a steady basis to increase the share of our revenue from this vertical.

By foraying into consumer electrical products, we aim to develop the B2C part of our business. A focussed marketing approach is in place to deepen consumer connect and help realise our ambition. A convergence strategy of diverse marketing vehicles, including digital marketing, is being leveraged to enhance our brand visibility and reach out to end-consumers. We are also using sports as a marketing medium, specifically cricket, considering the impact it has nationally.

At Finolex Cables, our industry leadership is underpinned by our manufacturing strength. Regular investments towards backward integration, setting up of new plants and expansion at existing facilities have enabled us to generate tremendous value from the market opportunities. Our emphasis on acquiring critical technologies has also bolstered our ability to produce world-class products. We are putting up a new plant at Goa for manufacturing electrical conduits. Capacity expansion is underway at our plants for solar cables, fibre optics and LAN cables. We are also undertaking backward integration for some more of our products. Our sound financial health further strengthens our ability to fund business expansion from internally generated funds, as and when required.

As India moves resolutely forward to join the league of developed nations, infrastructure development will remain critical to accelerate economic growth. This provides us with considerable opportunities to grow our core business of wires and cables. The Government's ambitious schemes for improving power availability and accessibility, such as Ujwal DISCOM Assurance Yojana (UDAY) and Integrated Power Development Scheme (IPDS) will boost demand for wires and cables. The 100 Smart Cities Project will also require modern cabling. Additionally, developments in the sectors of telecom and railways and progress on the Digital India mission are expected to provide a growth impetus for your Company. We also see considerable opportunity for our electrical products business as India, with its favourable demographics, continues to be a strong consumption led growth story.

We have been ably supported in our journey by our employees, whose dedication and energy are second to none. I sincerely thank all our employees for their efforts. On a personal note, serving in the capacity of an Executive Chairman for the past five years, it has been a privilege to work with all of you and our senior leadership team. I am extremely proud of all that we have accomplished together and am honoured to continue in this role for the next term. I will remain fully engaged to drive the Company's future strategic direction.

My sincere appreciation to our distribution partners, suppliers, customers and our bankers for their continued support; and our valued shareholders for their immense faith in us. We are very confident in the direction of diversification and expansion that we are taking; this makes our Company better and stronger for everyone. As we embark on the next era of our journey, our rich legacy will continue to inspire us to deliver greater value for all our stakeholders.

Mr. D.K. Chhabria
Executive Chairman

Finolex Cables @ 50

Established in 1958, Finolex Cables Ltd. is India's largest and leading manufacturer of electrical and telecommunication cables. Over our five-decade long journey, we have cemented our reputation as an innovative leader and quality manufacturer by continuously upgrading technology, modernising manufacturing facilities and maintaining the highest standards in quality and service. Backward integration for the manufacture of crucial cable components and landmark collaborations with leading global players have further strengthened our capabilities and reinforced our competitive edge.

Finolex Cables is the flagship company of the Finolex Group, which operates in a wide spectrum of business areas, ranging from lighting to petrochemicals and education. The Group has a turnover exceeding Rs. 6,000 Crores, 18 manufacturing plants and employs over 2,500 employees.

Remembering our Founders

Celebrating 50 glorious years is an opportune time to pause and reflect on the visionary zeal and pioneering efforts of our Founders Shri P.P. Chhabria and Shri K.P. Chhabria, who came to Pune from Karachi in 1945 in search of livelihood.

Our Founders' enduring influence is as vibrant today as when they first took the leap to start the brand 'Finolex' in 1958 by setting up a small-scale industrial unit for the manufacture of PVC insulated cables for the automobile industry. Their passion for innovation and persevering spirit is a guiding principle for all at Finolex Cables and a lasting legacy to our industry.

19.76%

CAGR of PAT in last 5 years

18.87%

CAGR of Net Worth in last 5 years

Rs. 2,366.3 million

Total Dividend payout over the last 5 years

Rs. 86,281 million

Increase in Market Capitalisation from 2014 to 2018

Categories & Product Portfolio

Wires & Cables

LIGHT DUTY CABLES

- FR PVC insulated industrial cables
- Flexible cables
- Solar cables
- Elevator cables
- 3CF & WW cables for agricultural sector
- Auto & Battery cables for automobile sector

POWER & CONTROL CABLES

- LT & HT Power and Control cables

COMMUNICATION CABLES

- Co-axial cables
- Speaker cables
- CCTV cables
- Jelly Filled Telephone Cables (JFTC)
- LAN cables
- Telephone cables
- Optic Fibre cables

Lighting

- CFL range
- T5 & T8 tubes
- Ballast
- Fittings
- Luminaries
- LED products

Electrical Switches

- Switch range
- Mounting boxes

Switchgear

- MCB
- RCCB
- DB

Fans

- Ceiling fans
- Table fans
- Wall fans
- Pedestal fans
- Exhaust fans

Water Heaters

- Instant
- Storage

Reach and Presence

5
Manufacturing plants

28
Depots

1,500+
Employees

4,000+
Channel Partners across India

30,000+
Dealers across India

Finolex: The pioneers in many ways

- First to make multi-strand wires
- First to manufacture auto cables
- First in private sector to manufacture and supply JFTC to DoT
- First to launch FRLSH wires and cables
- First to make co-axial cables using physical foam process
- First to make aerial cable designs
- First to manufacture LAN cables with UL verification
- First and only company in India to manufacture power cables up to 500 kV
- First in industry to be integrated backwards, capturing entire value chain

Overview of our Journey

1958
Started as a partnership firm under the name 'Indian Cables Industries'. The journey begins...

1960
Commissioned Light Duty Cables Plant, Pimpri, Maharashtra

1972
Acquired Alpha Rubber and thereafter name changed to Finolex Cables Ltd.

1980
Low Voltage Power Cable Plant, Pimpri, Maharashtra

1983
Listing of Finolex Cables Ltd. via maiden Public Issue Jelly Filled Telephone Cables Plant (JFTC), Pimpri, Maharashtra

1987
Technical Collaboration with NSW, Germany

2016
Switchgear Plant at Uttarakhand

2014
5.5 MW Solar Cables Plant, Urse, Maharashtra

2011
- Finolex J Power Systems, JV with Sumitomo of Japan
- Extra High Voltage Power Cables Plant, Shirwal, Maharashtra
- Corning Finolex, JV
- Optical Fibre Plant, Pune, Maharashtra

2010
Electrical Switch Plant, Uttarakhand

2008
Light Duty Cables Plant, Uttarakhand

Awards and Accolades

1 In 1989, Company won the Harvard Business School-Economic Times Award for Corporate Excellence; it was also declared the winner of Voice and Data magazine's Top Telecom Company Award in 2003.

2 In the survey conducted by Business Today and Stern Standard, Finolex Cables was listed among the Best Wealth Creating Companies of India.

3 It ranked among the leading organisations of Business India's Super 500 Corporations.

4 Finolex Cables has also featured in the Top 150 Hidden Champions of the World by World Link, Geneva.

1989
JFTC Plant, Urse, Maharashtra

1997
AT&T Finolex JV, Optical Fibre Cables Plant, Urse, Maharashtra

1998
Finolex Essex JV, Copper Rod Plant, Goa (Backward Integration)

2000
JFTC Plant, Verna, Goa

2002
Light Duty Cables Plant, Verna, Goa

2003
Optical Fibre Cable Plant, Verna, Goa

2004
Manufacturing of Glass Fibre, Urse, Maharashtra (Backward Integration)

2005
Superbrand Recognition

2006
Switches Plant, Urse, Goa

2007
Lighting Products Plant, Urse, Maharashtra

Looking back

THE FINOLEX CABLES STORY

At Finolex Cables, we have recognised opportunities early and responded with the right capabilities to deliver the solutions that our customers need. Our history is marked by many 'industry first' milestones, putting us at the forefront of meeting evolving market requirements.

In the early 50s, we introduced the concept of using stranded conductors for the manufacture of electrical wires. The existing technology was becoming unpopular due to the inherent disadvantages in product handling. Our innovation improved the flexibility of the wires and made the wires easier to handle during installation. The superior approach was also adopted by others to soon become the industry norm.

The unfolding possibilities in the telecommunications sector led us to put in place strong growth drivers. In the late 80s, we became the first private sector company in India to manufacture Jelly Filled Telephone Cables (JFTC). We successfully supplied to National Telecom Provider DoT (now BSNL). Our solutions remained relevant for over a decade till the JFTC era ended with the advent of Fibre Optic technology in the country.

The 90s decade was marked by the internet, digital and cable revolution. With AT&T, world leaders in communication technology, selecting us as a joint venture partner, we were empowered to meet emerging requirements of the information age. The strategic collaboration enabled us to foray early into the manufacture of Optic Fibre cables, the enabler of high-speed communications. The comprehensive cable range was supplied to DoT and other public and private sector operators.

Post 2000, when high-rise structures witnessed steady growth due to urban sprawl, we pioneered the concept of Flame Retardant (FR), Fire Resistant Low Smoke (FRLS), and Halogen Free Flame Retardant (HFFR) type of wires to ensure the safety of such constructions.

Our diversified wires and cables portfolio has enabled us to dominate the Indian industry and cement our reputation as the preferred brand for any cable requirement.

Looking back

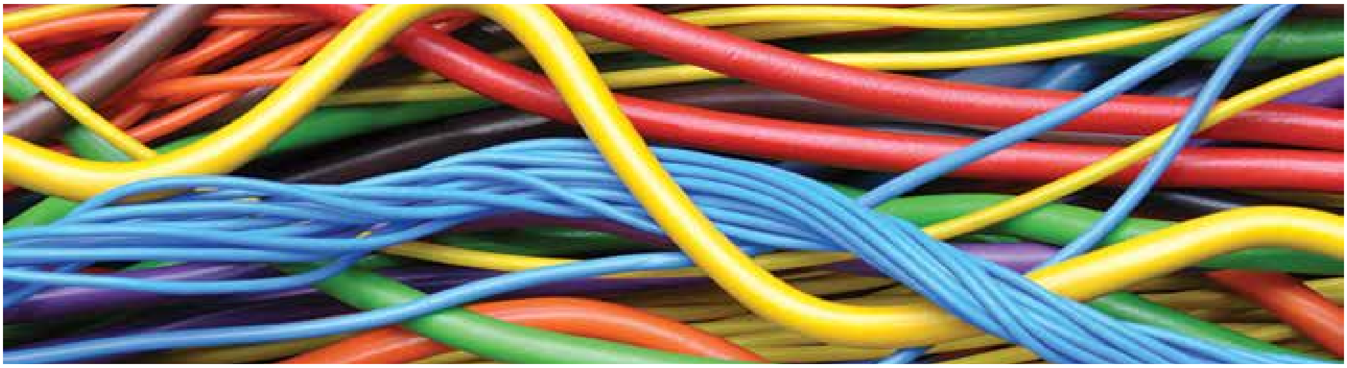
THE MANUFACTURING ADVANTAGE

Finolex Cables is engaged in the raw material production of PVC Resin, Copper Rod and Optic Fibre. Backward integration provides complete control over the quality of our products, besides ensuring reliability in raw material supply. Further, alliances and joint ventures with leading global players have enabled us to bring the best in the world to the Indian market.

Our Copper Rod plant was set up at Goa in collaboration with Essex Group., USA (name later changed to Superior). Essex Group is considered as a worldwide leader in Continuous Cast Copper Rods (CCCR) technology. Superior, as part of their restructuring, exited the Indian market and the joint venture (JV) was merged with Finolex Cables. The Copper Rod plant provides 99.99% pure copper for use in our wires and cables.

Finolex Cables partnered with AT&T, a US-based company recognised as the world leader in communications technology, for the development of Optic Fibre cables. With AT&T's turnover exceeding India's GDP at that point in time and AT&T following a strict and exhaustive approach for partner selection, this was a very prestigious partnership in the Company's history. After AT&T exited India, the JV got merged with Finolex Cables. We have since then been India's leading manufacturer of Optic Fibre Cables. Our product breadth also encompasses higher sized cables, including cables up to 288 Fibre count. To capture the entire value chain, we have set up a plant at Urse to manufacture Optic Fibre. We also tied up in a Marketing JV with Corning, world leaders in Optic Fibre technology.

Looking back



Finolex Cables has also partnered with Sumitomo Electrical Industries of Japan, world leaders in electrical cables, for the manufacture of Extra High Voltage (EHV) cables. Similarly, we have forged a technical collaboration with NSW of Germany, the world leader in PVC winding wires, for manufacture of cables for the submersible pump industry. Additionally, we are manufacturing our own compounds through an alliance with General Electric (GE).

The Company has received the ISO 9001 systems certification across all product lines and plants. We have also received the Environment Management Systems ISO 14001 certification for our facilities. The use of SAP has been entrenched across the Company and we continue to leverage Six Sigma at our facilities to drive operational performance.

Continual investments in our manufacturing prowess have provided us a competitive and comparative advantage in our product verticals. Further, our strong foundation positions us well to enter new categories while maintaining our strong cable dominance.

Wires & Cables

Plant	Capacity (Per Annum)
Copper Rod	60,000 T
Optic Fibre	2,400,000 FKM

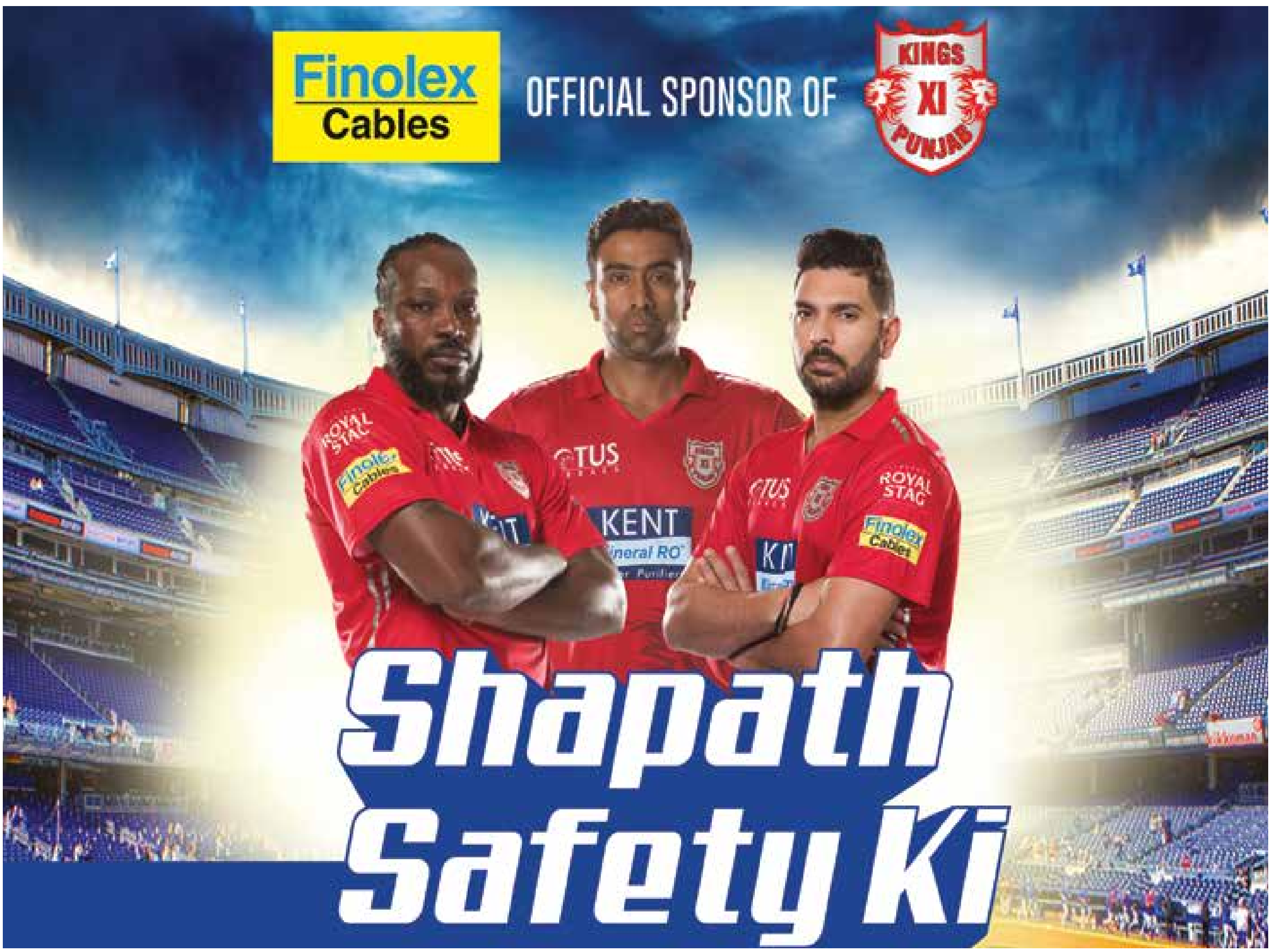
Collaborating with the Best

Technology Partner	Area of Technology Solutions
Essex Corp. USA (Superior)	JFTC cables, copper rods
AT&T (Lucent Technologies)	Optic fibre cables
Corning, USA	Optic fibre
NSW, Germany	Winding wires
Sumitomo, Japan	EHV power cables
GE, USA	Compounds

Looking back

BUILDING AN ENDEARING AND ENDURING BRAND

Consistent investment and focus in our brand has resulted in an extremely deep emotional connect with customers and consumers alike. Fostering spontaneous recall and valuable loyalty, our brand is today a tremendous asset.

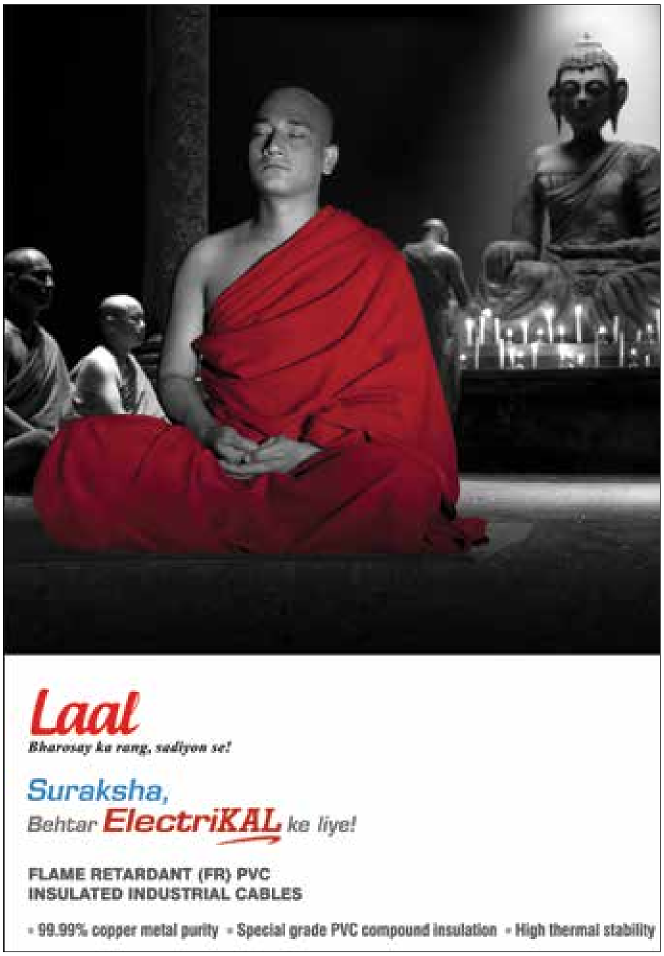


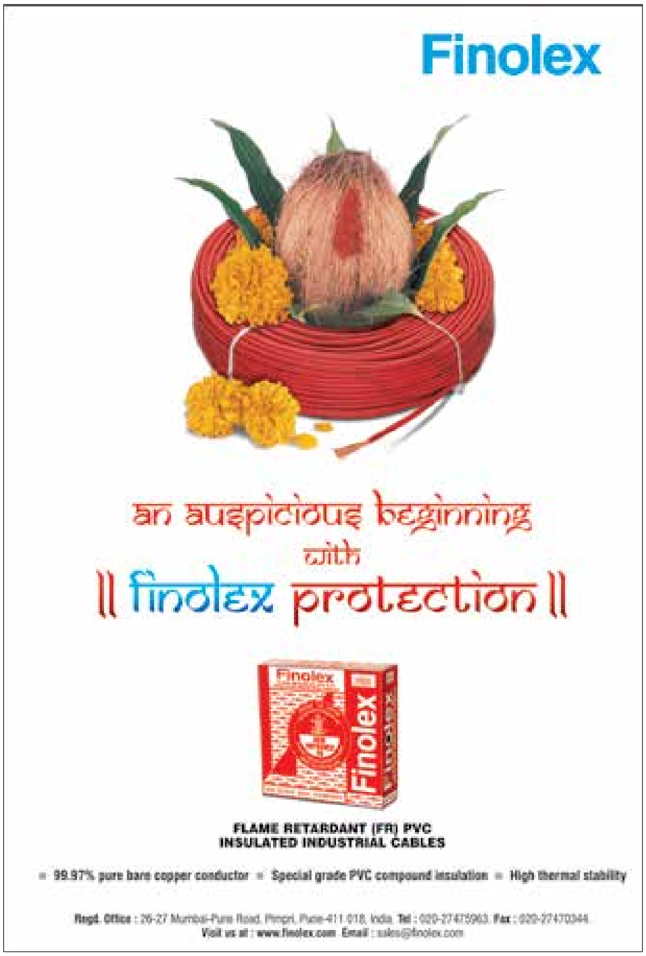
Looking back

Trust and Value are at the core of our brand promise and these have been communicated through our strong brand positioning of 'Behtar ElectriKAL ke liye'. The tagline conveys that we are committed to ensuring the safety and reliability of our products. All our marketing campaigns have always talked about safety - a promise we have delivered consistently by leveraging backward integrated manufacturing and ensuring stringent quality checks.

Our brand also stands for delivering value to the customers. Higher durability, better quality, and safety are fundamental attributes of our products, thereby providing a strong value proposition.

Finolex is an endearing and enduring brand built on the cornerstone of trust and value. The positive perception of our brand is now being leveraged for our foray from the B2B to B2C segment of white goods, including appliances and home products.





Looking ahead

FORAY INTO HOMES

Leveraging the brand equity of Finolex, we have recently extended our brand offerings to home appliances. Our goal is to transform the Company from being a purely wires and cables manufacturer to becoming an electrical products company, and also to emerge as a strong B2C player.

Looking ahead

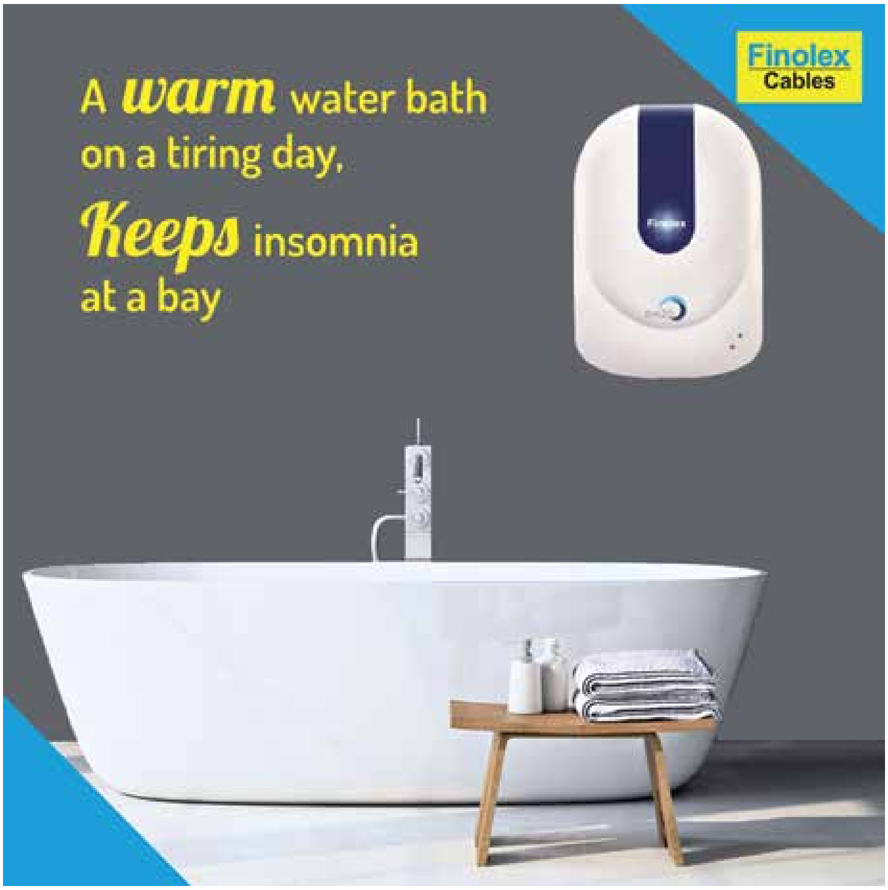
Our foray into the consumer products segment offers attractive prospects on the back of India's compelling middle-class led consumption. Powered by our industry-leading experience and expertise, along with our strong brand connect, we are confident of capturing market opportunities. Our home products embody the same promise of Trust and Value associated with brand Finolex. By steadily expanding our presence in the white goods segment, our aim is to further diversify and de-risk our cable business.

Characterised by the superior quality of polycarbonate and silver cadmium oxide coated contact points, screws and terminals used in the making of the most modern switches, Finolex switches are safe, durable and are tested to last over 100,000 clicks.

In the switchgear category, we have launched MCB, RCCB and DB.

We have introduced a wide range of Lighting products, viz. wider range of different wattages of CFL's, T5 & T8 tubes, fittings, ballast, luminaries, LED bulbs, LED battens, LED strips, LED floodlights, spot lights. Higher lumen output, better aesthetics and higher CRI (colour rendering index) are some of our distinct product attributes.

Expanding our reach further in electrical solutions, we have introduced a complete range of fans and water heaters. While their production is being currently outsourced under our watchful eye, our intent is to get into manufacturing once volumes reach a desired level.



Looking ahead

TECHNOLOGY FOCUSSED

A technology vision is being carved to better align to current and changing business needs. As we make the shift from a B2B to a B2C player, we are increasingly embracing digitisation and making it one of our core functions.

Strategically investing in digital technology will take centre stage to drive business growth. We see this new technology as an essential across all business facets for building high levels of accuracy, efficiency and effectiveness. Deep data and analytics are being adopted to continuously learn, adapt and perform. We are also using digital technology to deepen customer and consumer engagement. As we embed digital technology across our business eco-system, we are confident of driving better value for all our stakeholders.

We have recently launched an electrician app, Finolex Electrician. The app provides consumers a quick access directory of electricians and electrical contractors near their current location. It also helps electricians to find electrical jobs to enhance their earnings. The electricians are rated and reviewed by the consumers who have availed their services. The review mechanism helps electricians to build their digital profile while enabling consumers to hire a competent service provider.

We have also introduced an app for our channel partners, Finolex Konnect. The app provides updates on relevant information such as products, promotions and price schemes.

Looking ahead

THE E-COMMERCE AND ONLINE MARKET-PLACE OPPORTUNITY

India is not standing still; neither are we. Online marketing and e-commerce has exploded over the last few years, changing consumption habits and pattern. In the transforming consumption milieu, we have launched our presence emphatically on the digital platform.

#SafeWithPapa Facebook Campaign

500K

Users reached on FB

31K

Engaged Users on FB

India boasts the world's fastest-growing large economy, and the planet's biggest population of millennials: two-thirds of Indians are below the age of 35. For this young demographic, shopping online is the growing preference due to its convenience. As per a global report, e-retail is expected to surge from 3% of total Indian retail market in 2017 to 7% by 2021. To address the growing opportunity of e-commerce, we launched our own e-commerce site during the year under review. We are also making our presence felt on the platforms of major online retailers.

A dedicated communication strategy is being implemented to complement the online sales efforts. Our digital branding initiatives are being promoted on the same social media networks that young India uses to communicate with each other. We are also looking at building a specialist e-commerce team within the Company to help us be at the forefront of the e-commerce phenomenon.

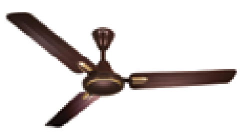
During the year, various campaigns on electrical safety, such as #switchover and #safewithpapa, were driven on the social media through digital posts and video promotions. As part of our brand building efforts, being the principal sponsor of the 'Kings XI' team at the India Premier League (IPL) cricket tournament, we also ran a popular social media campaign featuring leading Indian cricket players. Our digital marketing efforts have not only driven brand awareness and traffic to our e-commerce platform, but have also facilitated overall amplification of the brand to newer next-gen audiences.

Recent Product Launches

FAN


BLOWIN


CASSENDRA

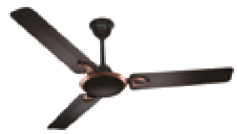

ECOSPORT DECO


EIDDLEY


TORRENCE FERRATA


JINGLE BOY


JINGLE GIRL


KRAYER


MUSTODON


KRAYER HS PEDESTAL


HD EXHAUST NUVO


QUOMODO


BLOWIN EXHAUST


KRAYER NS TABLE


TELICA

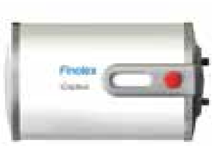

FINFRESH AXIEL NUVO


WIGGLE


KRAYER NS WALL

WATER HEATER

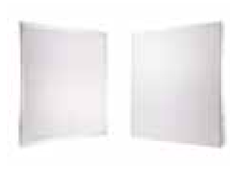

CAPTIVO


CAPTIVO HORIZONTAL


TELICA

LIGHTING PRODUCT


HIGHBAY


LED 2X2 36 WATT PANEL


LED COB LIGHT


LED HIGH WATTEGE ROCKET LAMP


LED SLIM PANELS ROUND


LED SLIM PANELS SQUARE

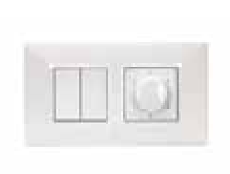

LED SURFACE PANEL


NEW LED BULBS B22


LED TRACK LIGHT


NEW LED BULB BLISTER PACK

SWITCHES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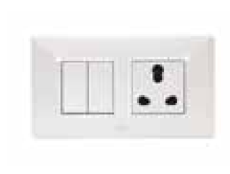
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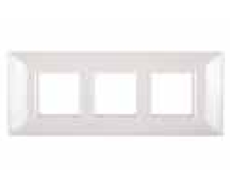
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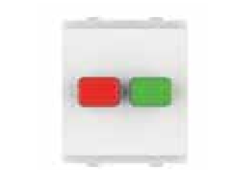
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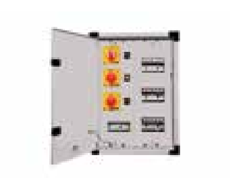
Premium Plus Color Plates

SWITCHGEAR


DB (PSDB)


RCCB_1


RCCB_2

Touching Lives

As a good corporate citizen, at Finolex Cables, we are committed to the communities where we live and work. Our Corporate Social Responsibility (CSR) purpose is to reach out to those in need and take them along on the road to progress. To touch lives and make a measurable difference, we regularly undertake projects to improve the quality of life of the underserved people, uplift their living conditions, and empower them to take charge of their lives later. By giving back to the society through well-meaning and fruitful initiatives, we aim to build a more inclusive socio-economic fabric.

Education, Health Care, Sanitation and Women Empowerment are the focus areas of our CSR policy. During the year under review, we undertook the following projects:

- Scholarships to deserving students for higher studies – in cooperation with Sakal Foundation, Pune
- Restoration of property lost due to natural calamities or civil commotion – in cooperation with Sakal Relief Fund, Pune
- Organised health camps and free medical check-up in rural areas – in cooperation with Pawana Medical Foundation, Somatane, Pune
- Medical support for health-related issues of women from economically backward and weaker sections of the society – in cooperation with ONP Hospital, Pune
- Medical support for treatment of diabetes in children below the age of 18 years – in cooperation with Jehangir Hospital, Pune
- Clean environment projects – in cooperation with Namami Gange Project, New Delhi
- Improvement of infrastructure of municipal schools in rural areas – in cooperation with Municipal School in Roorkee, Uttarakhand
- Assistance for setting up school infrastructure of classrooms and science labs – in cooperation with local school in Verna, Goa
- Development of proper sanitation facilities by providing sewage treatment plant in rural areas – in cooperation with Gram Panchayat, Urse, Pune

All projects are on-going and running to the satisfaction of the respective recipients.

Corporate Information

Board of Directors

Mr. D.K. Chhabria
Executive Chairman

Mr. Mahesh Viswanathan
Deputy Managing Director &
Chief Financial Officer

Dr. Homiar S. Vachha
Independent Director

Mr. Sanjay K. Asher
Independent Director

Mr. Pratap G. Pawar
Independent Director

Mr. Pradeep R. Rathi
Independent Director

Mrs. Namita V. Thapar
Woman Director

Mr. Shishir Lall
Independent Director

Mr. 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

Deloitte Haskins & Sells LLP
Chartered Accountants

Cost Auditors

Joshi Apte & Associates
Cost Accountants

Secretarial Auditors

SVD & Associates
Company Secretaries

Solicitors

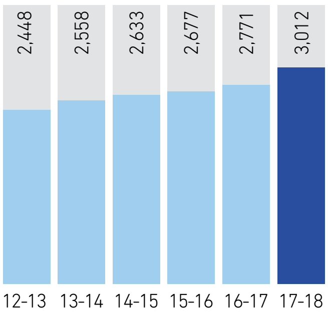
Juris Corp
Solicitors & Advocates

Registered Office

26-27, Mumbai-Pune Road,
Pimpri, Pune - 411 018, India
Tel. : 020-27506200 / 27475963
CIN: L31300MH1967PLC016531

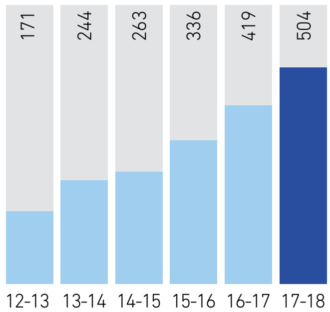
Our Performance in Numbers

Total Revenue
Rs. in Crores



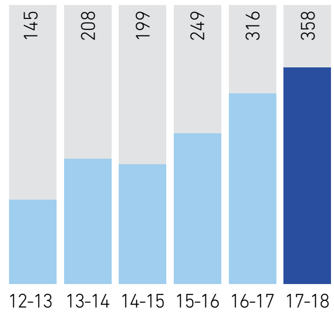
CAGR **4.23%**

PBT
Rs. in Crores



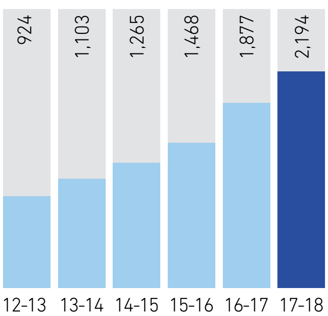
CAGR **24.16%**

PAT
Rs. in Crores



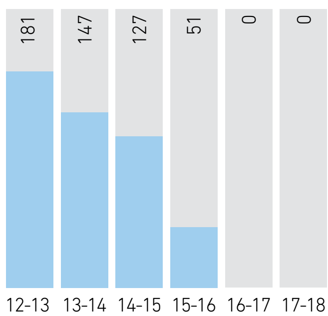
CAGR **19.76%**

Net Worth
Rs. in Crores

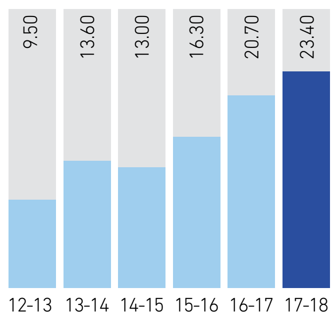


CAGR **18.87%**

Net Debt
Rs. in Crores

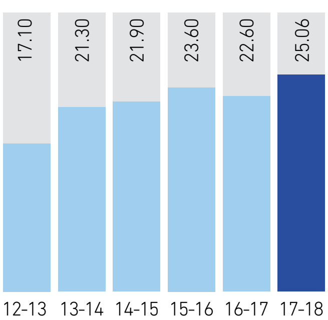


EPS
Rupees



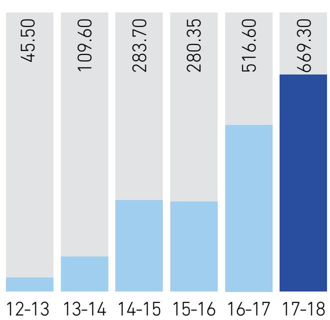
CAGR **19.76%**

ROCE
%



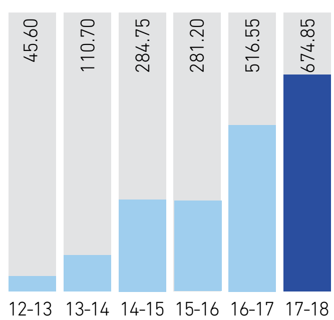
CAGR **7.94%**

Share Price BSE*
Rupees



CAGR **71.21%**

Share Price NSE*
Rupees



CAGR **71.41%**

*Last trading day

Ten-year Financials

(Rs. in Million)

Particulars	IGAAP								Ind-AS	
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
PROFIT AND LOSS ACCOUNT DATA										
Gross Revenue*	15,525	17,507	22,123	22,188	24,477	25,583	26,333	26,765	27,710	**30,116**
Materials and Manufacturing Cost (Including Excise Duty)	12,429	13,573	18,032	17,629	19,041	19,731	19,983	19,608	19,528	**20,963**
Employee Cost	533	592	647	695	846	848	940	1,076	1,192	**1,355**
Depreciation	388	372	388	395	466	484	640	572	480	**438**
Interest and Finance charges	324	187	191	261	134	145	136	95	43	**14**
Other exp.	2,152	1,891	1,793	2,115	2,282	1,935	2,002	2,051	2,273	**2,232**
Profit Before Tax	(301)	892	1,072	1,093	1,708	2,440	2,631	3,363	4,193	**5,045**
Taxation	54	315	204	111	255	363	645	876	1,034	**1,463**
Profit After Tax	(355)	576	868	982	1,453	2,077	1,986	2,488	3,159	**3,582**
Other Comprehensive Income	-	-	-	-	-	-	-	-	38	**135**
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	3,197	**3,717**
Dividend (including Tax on Dividend Distribution if applicable)	36	107	124	142	214	286	331	460	552*	**736***
BALANCE SHEET DATA										
Share Capital	306	306	306	306	306	306	306	306	306	**306**
Reserves	5,656	6,125	6,869	7,698	8,937	10,728	12,342	14,370	18,469	**21,633**
Net Worth	5,962	6,431	7,175	8,004	9,243	11,034	12,648	14,676	18,774	**21,939**
Loan Funds	2,959	2,751	2,601	1,716	1,806	1,470	1,267	512	-	**-**
Other Liability	-	-	-	-	-	-	-	-	66	**75**
Deferred Tax (Net)	221	319	310	326	345	295	300	230	189	**349**
Total Liabilities	9,142	9,501	10,086	10,046	11,394	12,799	14,216	15,418	19,029	**22,364**
Gross Block	8,022	8,313	8,563	8,846	9,777	10,728	10,960	11,074	11,485	**11,867**
Net Block	4,557	4,476	4,340	4,424	4,607	5,074	4,704	4,248	4,149	**4,142**
Investments	3,141	2,802	2,452	2,372	3,241	4,031	4,942	6,195	8,959	**12,148**
Net Current Assets	1,444	2,223	3,294	3,250	3,546	3,693	4,569	4,974	5,922	**6,073**
Total Assets	9,142	9,501	10,086	10,046	11,394	12,799	14,216	15,417	19,029	**22,364**
KEY RATIOS										
Growth in Revenue (%)	(4.6)	12.8	26.4	0.3	10.3	4.5	2.9	1.6	3.5	**8.7**
PAT to Revenue (%)	(2.3)	3.3	3.9	4.4	5.9	8.1	7.5	9.3	11.5	**12.3**
Return on Net Worth (%)	(6.0)	9.0	12.1	12.3	15.7	18.8	15.7	17.0	16.8	**16.3**
Earnings per Share Rupees (for face value of Rs. 2/- each)	(2.3)	3.8	5.7	6.4	9.5	13.6	13.0	16.3	20.7	**23.4**
Asset Turnover Ratio (Revenue to Total Assets)	1.7	1.8	2.2	2.2	2.1	2.0	1.9	1.7	1.5	**1.3**
Return on Capital Employed (%)	(0.01)	11.4	12.7	13.4	17.1	21.3	21.9	23.6	22.6	**25.06**
Debt to Equity Ratio	0.5	0.4	0.4	0.2	0.2	0.1	0.1	0.03	-	**-**
Payout Ratio (incl. Dividend Tax) Distribution to PAT (%)	-10.1	18.6	14.3	14.5	14.7	13.8	16.7	18.5	17.5	**20.6**

*Consequent to adoption of Ind-AS, the financials will not reflect provision for payment of dividends. However, actual payout would happen after approval of shareholders and will be reflected in the financials of the subsequent year.

Statutory Reports

Financial Statements

Standalone

Consolidated

Directors' Report

To,
The Members,

Your Directors are pleased to present their 50th Annual Report and Audited Accounts for the year ended 31st March, 2018.

FINANCIAL RESULTS

Rs. In Million

	STANDALONE		CONSOLIDATED	
	2017-2018	2016-2017	2017-2018	2016-2017
INCOME				
Revenue From Operations (Net)	**28,842.3**	26,707.5	**28,842.3**	26,707.5
Other Income	**1,274.0**	1,002.1	**811.8**	593.5
Total	**30,116.3**	**27,709.6**	29,654.1	**27,301.0**
EXPENDITURE				
Material Costs	**21,032.9**	19,527.7	**21,032.9**	19,527.7
Employee Benefit Expenses	**1,354.6**	1,191.9	**1,354.6**	1,191.9
Finance Costs	**14.4**	42.9	**14.4**	42.9
Depreciation, Amortization and impairment	**438.0**	480.3	**438.0**	480.3
Other Expenses	**2,231.6**	2,273.6	**2,046.8**	2,028.6
Total	**25,071.5**	**23,516.4**	**24,886.7**	**23,271.4**
Profit before share of Net profit of Investments accounted for using equity method and tax	**5,044.8**	4,193.2	**4,767.4**	4,029.6
Share of Net Profits of an Associate and Joint Ventures accounted for using equity Method			**724.0**	1,007.3
Profit Before Tax	**5,044.8**	**4,193.2**	**5,491.4**	**5,036.9**
Tax Expenses:				
Current Tax	**1,316.6**	1,080.7	**1,316.6**	1,080.7
Deferred Tax	**146.2**	(46.3)	**873.7**	(46.3)
Total Tax	**1,462.8**	1,034.4	**2,190.3**	1,034.4
Profit After Tax	**3,582.0**	**3,158.8**	**3,301.1**	**4,002.5**
Total Other Comprehensive Income for the year	**134.7**	**37.7**	**131.8**	**24.7**
Total Comprehensive Income for the year	**3,716.7**	**3,196.5**	**3,432.9**	**4,027.2**

GLOBAL ECONOMIC SCENARIO

The global economy witnessed an upswing in economic activities and trade led by investment recovery in advanced nations, improvement in emerging Europe, sustained momentum in emerging Asia and signs of recovery among commodity exporting countries. The year saw a broad-based recovery across majority of the countries globally resulting in global economy recording its fastest growth since 2011 at 3.8% in 2017. Growth amongst both the Advanced Economies and Emerging Market and Developing Economies was strong at 2.3% and 4.8% respectively compared to 1.7% and 4.4% respectively achieved in 2016. Going forward, it is expected that the current favorable market sentiment along with accommodative financial conditions and partial recovery in commodity prices will continue to buoy the global economic activity, with growth expected at 3.9% in both 2018 and 2019.

INDIAN ECONOMIC SCENARIO

In the Indian context the economic activity during the FY 2017-18 witnessed a slowdown mired by short-term challenges in the form of fading impact of demonetisation and trade activity slowdown ahead of Goods and Services Tax (GST) implementation. Resultantly, the GDP grew 6.6% in FY 2017-18 compared to 7.1%

in FY 2016-17. However, recent developments in the country in the form of FDI liberalization to attract investments, Insolvency and Bankruptcy Code to assist banks address NPA issues, Real Estate (Regulation and Development) Act to bring in more transparency in the real estate sector strengthen the outlook both in the near and mid term.

GST is one major revolutionary move that will enable the country to overcome the issues of multiple taxation, tax evasion and parallel economy, while bringing in more efficiency in movement of goods and services across the country. Though the initial implementation of GST saw some challenges in the form of delays in refund of input credit tax and challenges to small and medium enterprises to keep up with the regulatory issues, over the long run it is expected to be beneficial. Another important initiative was the Rs. 2.11 lakh crore recapitalisation plan for stressed public sector banks to enable them improve balance sheet health and resume lending, necessary to boost economic activities. The impact of all these is already beginning to reflect with the country's ease of doing business ranking improving by 30 spots to 100th position, indirect taxpayer base increasing by 50% to 34 lakh businesses and a credit rating upgrade from Moody's Investors Services to Baa2.

The country is also making significant investment in infrastructure to sustain its growing economy. In its Union Budget FY 2018-19, the government has made a total allocation of Rs. 5.97 lakh crore for infrastructure development, which is nearly three fold rise from the levels in 2014. The government has also envisaged plans to build integrated logistics supply chain through developing 50 economic corridors, 35 multimodal logistics parks at 15 locations and ten intermodal stations. Apart from these the government plans to build 100 smart cities, target to reduce carbon emission by adding 175 GW of renewable power generating capacity by 2022, focus on Make in India, and building digital infrastructure to ensure fixed line broadband access to 50% of household by 2022 are all heading the country towards an unmatched development.

With these positive developments in the Indian economy, IMF forecasts the country's GDP to grow by 7.4% in FY 2018-19 and then pick up momentum to 7.8% in FY 2019-20.

OPERATIONS

OVERALL: Sales net of duties were Rs 28,151.2 million as against Rs 24,448.4 million in the previous year with a 15% revenue growth. Growth was across all product lines. In volume terms Electrical Cables saw a growth of 5% and Communication Cables grew by 35%.

Total Income for the year under review was higher at Rs. 30,116.3 million (previous year Rs. 27,709.6 million) representing a growth of 9% over the previous year. Your Company has recorded a Net Profit Before Tax of Rs. 5,044.8 million as against Rs. 4193.2 million in the previous year – a growth of 20.3%.

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 274.9 million (Previous year's export value of Rs. 316.1 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+). CRISIL has also retained the AA+/stable rating for the Company's long term non-convertible debentures – during the year, however, no debentures were issued. As on date of this report, your Company continues to remain 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 200%. The amount thereof per equity share will be Rs.4/-. The total dividend outgo (including dividend tax) will be Rs. 736.3 million.

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

NEW PRODUCTS & EXPANSION

As you are aware, your Company ventured into newer product segments such as LED based lamps, low duty switchgear, fans and water heaters over the previous two years. During the year under review, your Company expanded both its market reach as well as the product offerings in each of these new segments. Several new models were launched during the year, covering multiple price and feature points. The volume growth has been encouraging across all new products and at the same time customer feedback to the products in terms of appearance, quality perception and price/performance expectations has been very positive. Simultaneously, your Company has realigned the field sales force into separate verticals (cables, lighting, switch/mcb, and fans/water heaters) to better address market needs.

Your Company announced its decision to enter the "Conduit Pipe" line of business last year – work on the manufacturing plant has commenced and is expected to be complete by December 2018.

As part of its expansion strategy, your Company is in the process of acquiring approx. 40 acres of land near Vadodara. This site would be used for future expansion needs of the Company.

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

As part of infrastructural development, the power sector is an extremely important component. Various measures have been announced by the Power Ministry to reform and grow this sector. 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.

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

While the level of tender participation has improved, the tender conclusion process is still very slow and the JV is awaiting the results in many tenders that it has participated in. At the end of 2017-18, the JV had an order backlog of approximately Rs 400.00 million.

The JV's 400kV Extra High Voltage Cable has now been certified. Currently, this is the only Indian Company to be certified at this voltage grade. This would be extremely helpful in future tender participation, giving the JV a prime mover advantage.

It is currently estimated that the JV will gradually be profitable 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 184.8 million has been recognized as a diminution in the value of investment. During the year, your Company injected equity of Rs 159.2 million, taking the Company's participation up to Rs 1337.7 million at the end of FY 2017-18.

CORNING FINOLEX OPTICAL FIBER PRIVATE LIMITED

During the financial year ended on 31st March, 2018, the JV clocked sales of Rs. 2,372.6 million (previous year Rs. 2,015.9 million) and was profitable, with a profit after tax of Rs. 113.1 million.

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 have been adding to the 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 2017-18 remains at Rs. 17.5 million.

EMPLOYEES

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

Industrial relations continued to be cordial during the year.

The Company had 1828 permanent employees on its rolls as on 31st March, 2018 (previous year 1748 permanent employees as on 31st March, 2017).

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.

KEY MANAGERIAL PERSONNEL

The following persons continued as Key Managerial Personnel during the year 2017-18:

Name	Title
Mr. D K Chhabria	Executive Chairman
Mr. Mahesh Viswanathan	Deputy Managing Director and Chief Financial Officer
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 ("SEBI LODR Regulations") 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/ Secretarial Auditors of the Company regarding compliance with conditions of Corporate Governance as Annexure C, as mandated under SEBI LODR 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 LODR Regulations, 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 a total expenditure of Rs.56.0 million towards CSR activities for free medical care through multispecialty hospitals, mobile hospital facilities in rural area, support to NGO activities like desilting in rural Maharashtra, promoting education and related activities, help needy children suffering from H1B diabetes, medical facilities to backward class women for their delivery and gynecological problems, knee replacement, cataract and dialysis for needy people, improvement of health care at rural areas, improvement in school infrastructure and provision of sewage treatment facility at places where the Company's Plants are located and contribution to National Mission for Clean Ganga "Namami Gange". While the above amount was approved in 2017-18, the actual spend in the year 2017-18 was Rs 46.0 million and the balance amount is to be spent in the year 2018-19.

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

Mr Sumit N Shah (DIN: 00036387), Additional Director ceased at the last Annual General meeting held on 28th September, 2017. Mr S B (Ravi) Pandit (DIN: 00075861) aged about 68 years being an Independent Director, ceased upon resignation due to his other commitments. The Board places on record its deep appreciation of the valuable contribution made by these Directors during their tenure on the Board of Directors of the Company.

Mr D K Chhabria, Executive Chairman will be completing his term of appointment on 30th June 2018. The Board of Directors at its meeting held on 28th May, 2018 has approved his reappointment for a period of five years. The terms and conditions of his reappointment are being put up to the members for approval. Accordingly, suitable resolution which appears in the Notice of ensuing Annual General Meeting has been proposed for consideration.

Similarly, Mr Mahesh Viswanathan, Deputy Managing Director and Chief Financial Officer will be completing his term of appointment on 30th June 2018. The Board of Directors at its meeting held on 28th May, 2018 has approved his reappointment for a period of five years. The terms and conditions of his reappointment are also being put up to the members for approval. Accordingly, suitable resolution which appears in the Notice of ensuing Annual General Meeting has been proposed for consideration.

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:

(a) Mrs Namita V Thapar (DIN: 05318899) retires by rotation at the ensuing Annual General Meeting and, though eligible does not wish to offer herself for re-appointment.

(b) Similarly, Mr Mahesh Viswanathan (DIN: 02780987), who retires by rotation at the ensuing Annual General meeting and, being eligible offers himself for reappointment.

The Board recommends the reappointments of Mr D K Chhabria as a whole time Director designated as "Executive Chairman" and of Mr Mahesh Viswanathan as a whole time Director designated as "Deputy Managing Director & Chief Financial Officer".

The requisite details regarding the proposals for reappointments of Mr D K Chhabria as Executive Chairman and of Mr Mahesh Viswanathan as Deputy Managing Director & Chief Financial Officer are set out in the Explanatory Statement attached to and forming a part of the Notice of ensuing Annual General Meeting 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, 2018 is enclosed as Annexure D to this Report.

2. **Number of meetings of the board:** The Board met on 5 occasions during the year. Details of the meetings are furnished in the Report on Corporate Governance which is attached as Annexure B to this Report.

3. **Directors' responsibility statement:** Pursuant to Sections 134(3)(c) and134(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 had 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 relevant provisions of Companies Act, 2013, the independent directors at their meeting dated 28th May 2018, 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. 159.2 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 was reviewed by the Audit Committee prior to being entered into and where necessary, was approved by the Board of Directors and the 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 32 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 31st march, 2018 and 28th may, 2018 (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 (31st March, 2018) and date of this Report (28th May, 2018)

9. **Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the company:** There are no significant and material orders passed by the Regulators or Courts or Tribunals that would impact the going concern status of the Company and the Company's operations in the future.

10. **Adequacy of internal financial controls with reference to the financial statements:** Having regard to Rule 8 (5) (viii) of the Companies (Accounts) Rules, 2014, the details in respect of adequacy of internal financial controls with reference to the financial statements of the Company are as follows:

    Your Company maintains appropriate systems of internal control including monitoring procedures. These internal control systems ensure reliable and accurate financial reporting, safeguarding of assets, keeping constant check on cost structure and adhering to management policies. The internal controls are commensurate with the size, scale and complexity of the Company's 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.

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 K 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 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 Regulation 22 of the SEBI LODR Regulations, 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 at www.finolex.com.

13. **Prevention of sexual harassment policy:** The Company has in place a policy on prevention of sexual harassment 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, one complaint was received about a contract employee, wherein the Internal Complaints Committee of the Company had conducted the inquiry and on acceptance of misconduct by the respondent his services were terminated by the concerned contractor.

14. **Business Responsibility Report (BRR):** As mandated by Securities and Exchange Board of India (SEBI), India's top 500 listed entities based on market capitalisation on the BSE and NSE are required to submit a 'Business Responsibility Report' (BRR) along with their Annual Report for 2017-18. This Report is required to be in line with 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' (NVGs), as released by the Ministry of Corporate Affairs in July 2011. Finolex Cables Ltd. presents its BRR, in line with the NVGs and the BRR requirement of SEBI. The business responsibility report on BRR of the company for the year under review is set out in Annexure K forming part of this report .

AUDITORS

M/s Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No.117366W / W100018), Auditors of the Company, hold office until conclusion of the Fifty-Fourth Annual General Meeting of the Company to be held in the financial year 2022-23, provided that their appointment shall be subject to ratification at every Annual General meeting if so required under the Act, and being eligible, offer themselves for such ratification of their appointment.

The Audit Committee and the Board of Directors have recommended ratification of the appointment of the Auditors for the financial year 2018-19. 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 2017-18, at the previous Annual General Meeting, 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 for the financial year 2016-17 was filed prior to its due date in September 2017.

SECRETARIAL AUDIT

In accordance with the provisions of Section 204 of the Companies Act, 2013, and the rules made thereunder, 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 in their Report, except that the Company has not filed Form IEPF III. FORM IEPF III can be filed only by attaching specific order(s) of the Court or Tribunal or Statutory Authority restraining transfer of subject shares referred to therein. The relevant cases pertain to the years 1996 and prior thereto and the Company is in the process of tracing out the relevant files and Court orders for doing the needful.

Their Report is attached as Annexure H to this Report.

SECRETARIAL STANDARDS

The Institute of Company Secretaries of India had revised the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) with effect from 1st October 2017. The Company is in compliance with the revised secretarial standards

LISTING OF SECURITIES

Your Company's equity shares are listed on the two premier stock exchanges of the country namely BSE Limited and National Stock Exchange of India Limited. Your Company had issued Global Depository Receipts which are listed on the Luxembourg Stock Exchange. Your Company has not issued any Non-Convertible Debentures ("NCDs") in financial year 2017-18 and no NCDs are outstanding as on 31st March, 2018.

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

Place: Pune
Dated: 28th May 2018

D.K. Chhabria
Executive Chairman

ANNEXURE A

Management Discussion and Analysis

1. INTRODUCTION

GLOBAL ECONOMIC SCENARIO

A notable rebound in economic activities and trade was witnessed in the global economy driven by investment recovery in Advanced nations, improvement in emerging Europe, sustained momentum in emerging Asia and signs of recovery among commodity exporting countries. The year under review saw a significant recovery across majority of the global countries as a result of which the global economy demonstrated a 3.8% growth in 2017, being the fastest since 2011. Advanced Economies and Emerging Market and Developing Economies registered a strong and positive growth at 2.3% and 4.8% respectively compared to 1.7% and 4.4% respectively, attained in 2016. Moving forward, global growth is expected to gather considerable momentum and grow significantly at 3.9% in both 2018 and 2019 backed by strong momentum, favorable market sentiments, accommodative financial conditions and partial recovery in commodity prices.

INDIAN ECONOMIC SCENARIO

On the domestic front, the twin blows of demonetisation and implementation of Goods and Services Tax (GST) slowed down the economic activity during the FY 2017-18 to a considerable extent. Resultantly, the GDP drastically declined to 6.6% compared to 7.1% in FY 2016-17. However, recent developments in the country in the form of FDI liberalization to attract investments, Insolvency and Bankruptcy Code to assist banks address NPA issues, Real Estate (Regulation and Development) Act to bring in more transparency in the real estate sector are all poised to strengthen the economy in the near future.

GST is one major revolutionary reform implemented by the government in order to enable the country to overcome the issues of multiple taxation, tax evasion and parallel economy. The unified tax regime would instill more efficiency and transparency in movement of goods and services across the country. Though the initial implementation of GST saw some hindrances in the form of delays in refund of input credit tax and compliance-related issues faced by small and medium enterprises, this centralized tax structure is expected to benefit the economy in the long run. Another important initiative was the recapitalization plan of Rs. 2.11 lakh crore for stressed public sector banks to enable them improve the health of their balance sheets and resume lending, thereby uplifting the economy. Propelled by these momentous reforms, the country's ease of doing business ranking improved by 30 spots to 100th position, indirect taxpayer base increased by 50% to 34 lakh businesses and a credit rating upgradation was obtained from Moody's Investors Services to Baa2.

With an aim to sustain its status of fastest growing economy, the country is also making significant investments in infrastructural projects. In its Union Budget FY 2018-19, the government allocated an outlay of Rs. 5.97 lakh crore for infrastructure development, which is nearly a threefold rise from the levels in 2014. Furthermore, the government has also envisaged plans to build integrated logistics supply chain through developing 50 economic corridors, 35 multimodal logistics parks at 15 locations and ten intermodal stations. Among other outstanding initiatives is the government's plan to build 100 Smart cities, its target to reduce carbon emission by adding 175 GW of renewable power generating capacity by 2022, focus on Make in India, and imbibing digital infrastructure to ensure fixed line broadband access to 50% of the households by 2022 as a result of which the country is headed towards an unmatched development and a robust economy.

On the back of these positive developments in the Indian economy, the country's GDP is forecasted to grow exponentially by 7.4% in FY 2018-19 and then pick up momentum at 7.8% in FY 2019-20.

2. BUSINESS OF THE COMPANY

The Company mainly operates in two segments – Electrical Cables and Communication Cables. The Industrial Cables manufactured by the Company is the number one choice in the market since the last 50 years. Over the years, the Company has evolved from just manufacturer of Wires and Cables into the country's leading Electrical Products Company. With an aspiration to become a market leader in the electrical goods sector, the Company, has recently expanded its product portfolio to include products like Lamps, Electrical Switches, Fans, Water Heaters and Switchgear. These new lines of businesses account for less than 5% of the Company's turnover and hence are reported as 'Others' in Segment Results.

The Company engages in the manufacture of Continuous Cast Copper Rods (CCC rods) at its Rod Plant at Goa to support captive requirement of Copper rods for manufacture of copper-based both electrical and communication cables. However, a small part of the production of these CCC rods is sold to third party customers. The result of this operation is declared under the Copper Segment.

The Company relentlessly strives to work towards innovative technologies and enhancing technical competencies expecting to conquer many more milestones and realize new dreams.

1.1 MAJOR PRODUCTS AND SEGMENTS

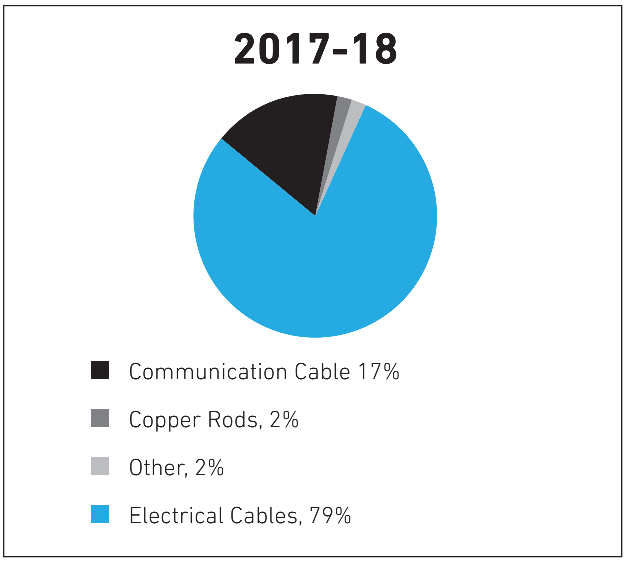
The Company is one of the largest and most diversified manufacturers of electrical and communication cables in the country. Manufacturing a wide range of cables, the Company's products find applications in diverse daily electrical needs and transmission of voice, data and images (contents) for domestic, commercial and industrial applications to electrical products. Recognized as the 'Total Cable Solutions' Company, Finolex cables touches every person in their daily life and is the only cable company to hold super brand status.

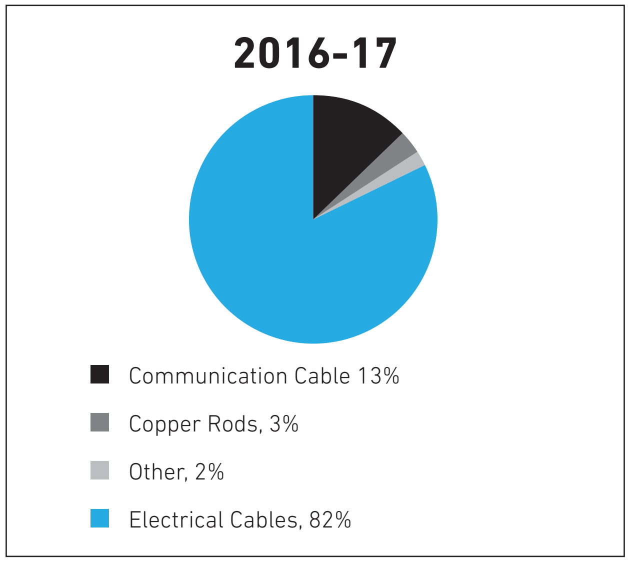
Product portfolio

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	Broadcasting applications in buildings and electronic goods
	Optic Fibre	Principal raw material for Optic Fibre cables
	Optic Fibre cables	Networks requiring high speed transfer of large bandwidth for 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 manufacturing copper-based Cables
Electrical Switches	Premium and classic switches, sockets, regulators, etc	For power supply to equipment in domestic, commercial and industrial environment
Lamps	Retrofit/non-retrofit CFL lamps and T5 Tube Lights and Fittings, LED based lighting solutions	Lighting for homes, hotels, shops, offices and factories (both indoor and outdoor applications). Also available for street light applications.

Group	Product Covered	Application
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

REVENUE BREAK-UP (INCLUDING EXCISE DUTY)





3. REVENUE BREAK-UP (INCLUDING EXCISE DUTY)

- Production:

  - Electrical Cables at 59,569 MT as compared to 59,812 MT in the previous year.
  - Metal based Communication Cables at 8,216 MT as compared to 7,643 MT in the previous year.
  - Optical Fiber Cables at 2,410,449 FKM as compared to 1,159,898 FKM in the previous year.

- Sales:

  - Electrical Cables (including Excise Duty) at Rs. 23061.6 million as compared to Rs. 21,778 million in the previous year.
  - Communication Cables (including Excise Duty) at Rs. 4769.3 Million as compared to Rs. 3685.1 Million in the previous year.
  - Copper Rods (including Excise Duty) at Rs.598.4 Million as compared to Rs. 830.4 Million in the previous year.
  - Other Products at Rs. 599.1 Million as compared to Rs. 413.9 Million.

- Exports were lower at Rs. 274.9 Million as against Rs. 316.07 million of the earlier year.

  - The income from operations (including excise duty) was Rs. 28,842.3 Million for the year under review as compared to Rs. 26,707.5 Million for the earlier year.

  As explained in the Director's Report, it is estimated that the JV with J Power Systems will still require time to stabilize 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.

- The Joint Venture with Corning SAS, Corning Finolex Optical Fiber Pvt. Ltd. has clocked sales of over Rs. 2,372.6 million in the year 2017-18 as against Rs 2,015.9 million in the previous year and have achieved a profit of Rs. 113.2 million. The operations are expected to grow going forwards.

- For more details on the operations, a reference may please be made to the financial statements.

4. KEY STRENGTHS

- **Strong brand name:** The Company is one of India's leading and most diversified cable manufacturers with strong brand resonance.
- **Wide product portfolio:** The Company has a wide product basket comprising more than fifty thousand SKUs meeting diverse customer requirements across diverse application.
- **Quality:** The Company's state-of-the-art manufacturing facilities and technological competence enables it to maintain high quality standards.
- **Distributor network:** The Company has over 3500 + distributors enabling it to supply products on pan-India basis
- **Integrated:** The Company's backward integration into manufacture of CCC Rods, PVC compounds, Optical Fibre and FRP rods enable it to maintain product quality, ensure supply reliability and control costs.
- **Diversified:** The Company has diversified to manufacture of newer product segments that are complimentary to the electrical cable market enabling it to have additional market coverage and better economies of scale.

5. GROWTH DRIVERS

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

- Strong focus on product quality and continuous improvement
- Use of innovative technologies and enhancing technical competencies
- In-house product development team to ensure continuous launch of new products
- Improved margin profile due to new product launches
- Creating customer preferences
- Competitive pricing and extremely competitive cost structure
- Dynamic approach to situations
- Strong and dependable distribution channel across the country

6.. BUSINESS ENVIRONMENT FOR PRODUCT SEGMENTS WITH OUTLOOK

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

6.1 Electrical cables

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

(i) Light duty electrical cables include electrical wires used extensively for electrification of industrial establishments, electrical panel wiring in industrial establishments and major equipments, consumer durable goods, automobiles, agricultural pump sets, small generator applications besides general lighting purposes.

(ii) In power cable category, the Company has the ability to manufacture such cables within the range 1.1 kV to 66 kV. These cables are high voltage cables designed in various constructions depending upon their applications; however, always meant for underground usage. Power and control cables up to 3.3 kV rating are used for connecting user point to the main supply of power. Power cables above 3.3 kV rating are meant for use in underground application for intra-city electricity distribution network. The Company manufactures insulated power cables only. These cables meet the requirements of international standards.

Performance:

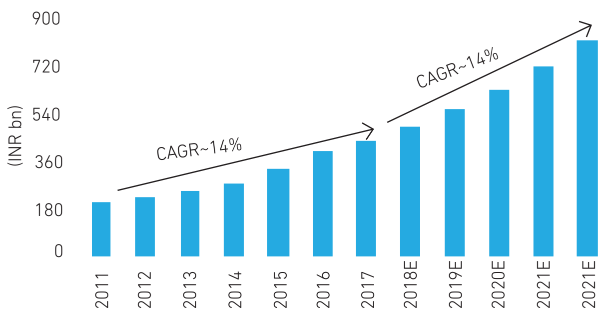
For the year under review, this segment registered sales (including excise duty) of Rs. 23,061 million against Rs. 21,778.0 million of the previous year. It accounted for 79% of total sales for the year under review. Volume growth during the year was spread across product lines – at 5%. Margins, however where strong with EBIT at 16.3% for the year as against 15.2% in the earlier year.

Outlook:

Electrical Cables is the primary business for the Company. These electric cables find application in the construction, auto, industrial, agricultural and power industries. The business is expected to receive significant boost from the government's infrastructure and rural push whereby it intends to improve power availability and housing for all. Initiatives like Deendayal Upadhyayaa Gram Jyoti Yojana, with an outlay of Rs. 756 bn during FY 2014-2019 for improving rural electrification, Power for All by FY 2019 are significantly boosting electricity availability. Further, propelled by government's mission to provide housing to all and passage of the Real Estate (Regulatory and Development) Act, 2016 the number of households in the country is expected to grow from 294.9 million in 2016 to 349.8 million by 2025. The Indian Railways also targets to invest Rs. 35,000 crore over the next four years to electrify its entire network.

Led by strong growth in the end user segment, the cables and wires industry in India is expected to grow at a CAGR of 14% during FY 2017-2022 and reach a market size of Rs. 813 bn. The share of organized players during this period is likely to improve from 61% in FY 2017 to 72% in FY 2022. *(Source: Edelweiss, Consumer Durables report)*

Cables and wire industry growth forecast



While the growth prospects are strong, the Company faces two principal risks in this business – competition from large unorganized players and high volatility in commodity prices. With regards to competition, the Company has created a niche for itself by focusing on safety, superior product quality and maintaining high standards of service as opposed players whose products are of inferior quality and unsafe. Besides, with its robust distribution network (3,500+ channel partners) and wide product portfolio it can cater to diverse customer requirement on a pan-India basis. As far as the pricing is concerned, the Company enjoys the advantage of economies of scale and backward integration, enabling it to control cost. Further with the GST roll-out the unorganized players will no longer be able to enjoy cost advantage gained by unfair trade practices making the market an even play.

To minimize the impact of commodity price fluctuation, the Company follows the practice of passing on the price increase to customers. Its bulk buying power enables it to better negotiate price variation with vendors. Fair dealing with customers and strong brand name enables the Company to retain customer confidence in pricing decisions.

6.2 Communication cables

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

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

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

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

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

Performance

The communication cables segment (including optic fiber) recorded sales of Rs. 4769.3 million for the year under review against Rs. 3,685.1 million in the earlier year. There was a significant improvement in both volumes and value of products supplied during the year – all product lines under this segment delivered moderate volume growth. Consequently plant utilizations across all product lines improved. EBT levels for the year to 9.8 % in this segment as compared to 9.1% in the previous year due to revision in selling price of major supplies.

Outlook:

With the government's focus on Digital India, the country is making significant inroads towards building up digital infrastructure. While the country has already embarked on its ambitious Bharat Net initiative, the world's largest rural broadband connectivity project to connect 600,000 of its villages, the Department of Telecommunications has come up with another ambitious plan in its new draft national telecom policy. The draft envisages providing wireline broadband access to 50% households, deploying 10 million Wi-Fi hotspots and attracting investment of USD 100 bn by 2022. It also aims to provide universal broadband coverage at 50 Mbps to every citizen, 1 Gbps to gram panchayats and 100 Mbps to key development institutions along with fabrication of 60% base stations, compared to less than one-fourth towers that are currently connected to fiber, to prepare for 4G/5G technologies. Besides, there will be significant investments from the telecom players to improve connectivity.

All these initiatives, requiring significant technologies will drive growth for communication cables and augur well for the Company. Manufacturing communication cables meeting both local and international quality standards, the Company's product has significant demand in the domestic and exports market. Further, the Company's association with Corning USA, inventor of glass fiber and world leader in glass and fiber manufacturing, enables it to leverage their technology competence and address market challenges.

The business segment faces similar risks to that in electric cables business – competition from unorganized players and copper price fluctuation which it mitigates through its high quality product, price pass-on and better negotiating powers in bulk deals.

6.3 Copper rods

The Company entered into manufacture of copper rods, used as feedstock in its copper-based electrical and communications cables, focused on integrating backwards and securing supply. It procures copper cathodes, the base material for producing these copper rods, primarily in bulk from local manufacturers under long term supply agreements and excess requirement is procured in small quantities. Post meeting the in-house requirements, additional produce is sold to third parties.

Performance:

The sales (including Inter Divisional Transfer) were Rs 9043.2 million (previous year Rs. 5,135.0 million) of which Rs. 598.4 million were sales to third parties (previous year Rs. 830.4 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:

With the growing thrust on high-efficiency products such as motors and transformers, the demand for copper-based electrical and communications cables is set to grow, which in turn will spur demand for copper rods. Additionally, under the GST regime with no VAT/CST hindrance, the Company would be able to explore more third-party selling propositions. With the overall growth demand for internal and external purposes, the Company would be able to enhance capacity utilization and improve profitability.

6.4 Electrical switches and lighting products

The Company's venture into this business is a logical extension of its cable business. Bearing the Finolex brand, these products endorsing the proposition of quality, safety and better performance are distributed through the Company's existing pan-India network. With the well-acceptance of the Company's product, the business has seen steady progress achieving sales of Rs. 258.7 million as compared to previous years Rs. 232.7 million.

As the Company focuses on growing the business, it is putting more efforts towards expanding distribution reach and streamlining team at market level. Project like Smart Cities and Housing for all will be catalyst in growing demand.

6.5 Fans, switchgears and water heaters

The Company ventured into this business segment during the last financial year post undertaking extensive market research, consumer behavior analysis, consumption patterns and potential to grow. This extension underlines its strategic attempt to evolve from a Cable Manufacturer to an Electrical Products Company.

These products have been well-accepted in the market and within its second year the number of distributors stocking it have grown by 523 to 1125 as on March 31, 2018 and sales for the FY 2017-18 reached Rs. 284.8 million. This strong response reinforces the Company's belief that good quality product will attract sustainable business. The Company has also established an extensive network of service centers to handle these products and ensure maximum customer satisfaction.

With increasing number of households and nuclear families coupled with growing demand for aspirational products, this business segment is expected to witness strong growth and drive the Company's overall performance.

Summary:

The Company's primary businesses into segments that currently are government's trust areas and core to the country's infrastructure development. These businesses are highly essential for enabling the country to sustain its growing economy. Besides with massive allocation of Rs. 5.97 lakh crore for infrastructure development in FY 2018-19, over and above investments made towards smart cities, village electrification, digital India and railway infrastructure development among others the demand for Company's products are likely to grow. Further, formalization of economy led by GST introduction will also enable the Company to grab market share from unorganized players leveraging the advantage of superior quality products in a reasonably attractive price segment.

The Company intends to tactically exploit its resources to strengthen brand name with dedicated marketing initiatives and grow distributor network which will be critical in enhancing business. The focus will be on profitable growth and the Company will look forward to expand business with calculated risks.

7. FINANCIAL PERFORMANCE

(Rs. In Million)

	2017-18	2016-17
INCOME		
Revenue From Operations (Net)	**28,842.3**	26,707.5
Other Income	**1,274.0**	1,002.1
Total	**30,116.3**	27,709.6
EXPENDITURE		
Material Costs	**21,032.9**	19,527.7
Employee Benefit Expenses	**1,354.6**	1,191.9
Finance Costs	**14.4**	42.9
Depreciation, Amortization and impairment	**438.0**	480.3
Other Expenses	**2,231.6**	2,273.6
Total	**25,071.5**	23,516.4
Profit Before share of Net Profit of Investments accounted for using equity method and tax	**5,044.8**	4,193.2
Profit Before Tax	**5,044.8**	4,193.2
Tax Expenses:		
Current Tax	**1,316.6**	1,080.7
Deferred Tax	**146.2**	(46.3)
Total Tax	**1,462.8**	1,034.4
Profit After Tax	**3,582.0**	3,158.8
Total Other Comprehensive Income for the year	**134.7**	37.7
Total Comprehensive Income for the year	**3,716.7**	3,196.5

Revenues:

In terms of revenue, the year under review the growth over the previous year was 8.6 % as compared to previous year 5% ; however, as explained elsewhere in the report, this was mainly due to volatility commodity prices for much of the year. On volume terms, growth was subdued.

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.

Finance Cost: Decreased in proportion to reduction of borrowings.

The shareholders' funds as at March 31, 2018 stood at Rs. 21,939.0 million which is an increase of Rs 3,164.4 million over the fund balance as at 31st March, 2017.

Summary of Statement of Balance Sheet is given below:

(Rs. In Million)

	2017-18	2016-17
SOURCES OF FUND		
Shareholder's Fund	**21,939.0**	18,774.4
Non-Current Liability	**424.5**	253.0
Current Liability	**2,397.0**	2,734.1
Total	**24,760.5**	21,761.5
APPLICATIONS OF FUND		
Fixed Assets	**4,141.9**	4,230.2
Investments	**5,138.4**	4,253.7
Loan & Other Non-Current Assets	**381.4**	723.2
Current Assets	**15,098.8**	12,554.4
Total	**24,760.5**	21,761.5

Capital Expenditure and Investments: During the year, Your Company incurred Rs.369.4 million towards capital expenditure, predominantly towards sustenance of existing capacity and product development activities. Your Company has invested in Joint Venture Rs.159.2 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 revenue in the financial year 2017-18 , 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 Rs. 2356.8 million from its operations as compared to Rs. 2,127.6 million generated last year. Profit before tax and exceptional items stood at Rs. 5044.8 million as against Rs. 4,193.2 million in last year.

Taxation: After reckoning a current and deferred tax liability of Rs. 1,462.8 million, Profit after tax for the current year stood Rs. 3582.0 million which is substantially higher than the previous year's Rs. 3,158.8 million.

Cash flow:

(Rs. In Million)

	2017-18	2016-17
Profit from operations before tax	**5,044.8**	4,193.2
(Inc)/Dec in Net working capital	**(1342.9)**	(779.8)
Income Tax Paid	**(1,345.0)**	(1,285.8)
Net cash flow from operating activities	**2,356.8**	2,127.6
Cash outflow for investing activities	**(1,344.6)**	(1,261.1)
Cash outflow for Financing activities	**(567.5)**	(753.8)
Net cash flow / (Outflow)	**444.7**	112.7

8. RISK MANAGEMENT

Risks are inherent to all business and can lead to losses if not handled properly. The Company's risk management framework facilitates in clear understanding of strategies, policies, initiatives, norms, structured reporting and control. The framework ensures that the risk management discipline is initiated centrally by the senior management and progressively decentralized, extending to managers across hierarchies, facilitating risk mitigation at micro level. The Company also engages external advisors to better understand the risks and their impact and undertaking adequate mitigation measures.

While risks related to relative businesses are covered in the 'Business environment for product segments with outlook' section, some other risks associated with the Company include:

Competition risk

Company faces significant competition from unorganized players. Inability to produce quality products and ensure right marketing may lead to loss of market share.

Mitigation

The Company's state-of-the-art manufacturing facilities and in-house team ensure highest quality standards and advantage of backward integration facilitate in controlling costs. This enables it to create a niche offering right quality at right prices. Besides, with GST implementation the unorganized players would stand disadvantaged as they no longer would be able to evade taxes, which would lead to increase in their product prices.

Raw material price fluctuation risk

Inability to cope with fluctuation in the prices of crucial raw material like copper and aluminum may adversely impact the Company's profitability.

Mitigation

The Company's mitigates this risk by passing on price increase to customers. The Company also undertakes production forecasting based on past trends and present scenario and accordingly procures raw materials in bulk from its long-term suppliers.

Currency fluctuation risk

The Company imports raw materials and sells finished goods in the international markets. Any significant fluctuation in exchange rate may adversely impact profitability.

Mitigation

The Company undertakes adequate hedging to minimize the impact of exchange rate fluctuation. Its team continuously monitors the prices of raw materials and enter into long term agreements.

9. INTERNAL CONTROLS

The Company's internal controls are commensurate to the size and nature of its business. This internal control mechanism is designed in a manner to ensure accuracy in transaction recording along with built-in checks and balances, prompt reporting and safeguarding assets. Through these controls the Company ensures adherence to all applicable Accounting Standards and Policies and compliance with applicable laws, statutes, as well as internal procedures and practices. While the Company's internal team continuously monitors these controls, it has also engaged an external team to overlook the various aspects of internal control, including the design and maintainability of systems. Regular audits are being conducted by both these teams and report generated is reviewed by management and corrective actions implemented.

The Company's 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. During FY 2017-18, the Audit Committee met 5 times.

Corporate Governance

ANNEXURE B

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. None of the Directors on the Board are related to each other.
- Out of Eight 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 "Deputy Managing Director and Chief Financial Officer" with effect from 1st July, 2018. Five Independent Directors namely Dr. H. S. Vachha, Mr. Sanjay K. Asher, Mr. P. G. Pawar, Mr. P. R. Rathi and Mr. Shishir Lall and one non-promoter non-executive Director namely Mrs. Namita V Thapar, Woman Director.
- 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 30th May, 2017, 9th August, 2017, 7th November, 2017 and 12th February 2018.

Attendance at meetings of the Board in financial year 2017-18 and last Annual General Meeting (AGM) and details of membership of Directors in other companies' Boards and their committees, is set out below:

Attendance of Directors at Board Meeting, last Annual General Meeting and number of other directorship(s) and Chairmanship(s)/ Membership(s) of Committees of each Director in various other Companies:

Names of Directors	No. of Board meetings attended during the year 2017-18	Whether attended last AGM held on 28th September 2017	No. of Directorship(s) as on 31st March 2018		No. of Membership(s) / Chairmanship(s) of Board Committees as on 31st March 2018	
			PublicCompanies	Private Companies	as Member	as Chairman
Mr. D K Chhabria	4	Yes	Nil	4	Nil	Nil
Dr. H S Vachha	2	No	Nil	Nil	Nil	Nil
Mr. Sanjay K Asher	2	Yes	9	9	3	5
Mr. P G Pawar	4	Yes	4	7	1	3
Mr. S B (Ravi) Pandit*	0	No	3	3	2	0
Mr. Pradeep R Rathi	3	No	6	5	2	1

Names of Directors	No. of Board meetings attended during the year 2017-18	Whether attended last AGM held on 28th September 2017	No. of Directorship(s) as on 31st March 2018		No. of Membership(s) / Chairmanship(s) of Board Committees as on 31st March 2018	
			PublicCompanies	Private Companies	as Member	as Chairman
Mr. Adi J Engineer*	1	N.A.	2	Nil	2	Nil
Mr. Mahesh Viswanathan	4	Yes	Nil	2	Nil	Nil
Mrs. Namita V Thapar	2	Yes	2	3	Nil	Nil
Mr. Sumit N Shah#	1	No	2	2	Nil	Nil
Mr. Shishir Lall@	3	Yes	N.A.	N.A.	N.A.	N.A.

* Mr. S B (Ravi) Pandit ceased w.e.f., 30th October, 2017 and Mr. Adi J Engineer ceased w.e.f., 30th May, 2017 upon resignation due to their other commitments / age.

Mr. Sumit N Shah, additional director ceased at the Annual General Meeting (AGM) held on 28th September, 2017.

@ Mr. Shishir Lall was appointed as an Additional Director on the Board w.e.f., 30th May, 2017 and as an Independent Director by the Members at the AGM held on 28th September, 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 excluding for Section 8 Companies, if any.

2.3 Remuneration to Executive Directors:

Particulars	Mr. D K Chhabria Executive Chairman	Mr. Mahesh Viswanathan Deputy Managing Director & CFO
Salary and Allowances	7,500,000	11,426,601
Contribution to Provident and Superannuation Funds	2,025,000	1,743,120
Other Perquisites	7,499,970	116,458
*Commission/**Incentive – payable	*100,000,000	12,500,000
Total	117,024,970	257,861,792

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 2017-18 is set out below:

Name of Non-Executive Director	Sitting Fees (Rs.)	Commission Payable (Rs.)	Total (Rs.)	Shareholding (in Nos. of shares) of Non- Executive Directors in the Company	Remark
Dr. H.S. Vachha	100,000	1,200,000	1,300,000	-	
Mr. Sanjay K. Asher	180,000	1,200,000	1,380,000	12,395	Joint holder
Mr. P. G. Pawar	355,000	2,000,000	2,355,000	-	
Mr. S.B. (Ravi) Pandit*	0	500,000	500,000	-	
Mr. P.R. Rathi	290,000	1,200,000	1,490,000	-	
Mr. A.J. Engineer*	30,000	500,000	530,000	-	
Ms. Namita V Thapar	60,000	1,200,000	1,260,000	-	
Mr. Sumit N Shah**	30,000	500,000	530,000	-	
Mr. Shishir Lall ***	110,000	1,200,000	1,310,000	-	
Total	1,155,000	9,500,000	10,655,000		

* Mr. S B (Ravi) Pandit ceased w.e.f., 30th October, 2017 and Mr. Adi J Engineer ceased w.e.f., 30th May, 2017 upon resignation due to their other commitment / age.

**Mr. Sumit N Shah, additional director ceased at the Annual General Meeting (AGM) held on 28th September, 2017.

*** Mr. Shishir Lall was appointed as an Additional Director on the Board w.e.f., 30th May, 2017 and as an Independent Director by the Members at the AGM held on 28th September, 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 One Crore, whichever is less, which is the ceiling limit approved in this regard by the members at the Annual General Meeting held on 28th September, 2017 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 One Crore to Rupees Two Crores as provided under item No.10 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.

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 and subsequently reconstituted by the Board from time to time and lastly at its meeting held on 7th November, 2017, presently comprises of five independent non-executive Directors, namely Dr. H.S. Vachha (Chairman of the Committee), Mr. P.G. Pawar (Alternate Chairman), Mr. Sanjay K. Asher, Mr. P.R. Rathi and Mr. Shishir Lall. 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 overseas 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 Section134 of the Companies Act, 2013;

   (b) changes, if any, in accounting policies and practices and reasons for the same;

   (c) major accounting entries involving estimates based on the exercise of judgment by management;

   (d) significant adjustments made in the financial statements arising out of audit findings;

   (e) compliance with listing and other legal requirements relating to financial statements;

   (f) disclosure of any related party transactions;

   (g) modified opinion(s) in the draft audit report;

5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;

6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

8) approval or any subsequent modification of transactions of the 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 thereon;

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 five times during the financial year ending 31st March 2018, as against the minimum requirement of four meetings i.e., on 30th May,2017, 9th August, 2017, 19th September, 2017, 7th November, 2017 and 12th February, 2018.The necessary quorum was present for each of the meetings of the Committee. The following table sets out the attendance of Audit Committee members:

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

* On 7th November, 2017, the Audit Committee was reconstituted and Mr. Shishir Lall, Independent Director was added as a member of the Audit Committee

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 five meetings of the Audit Committee held in financial year ending 31st March 2018. The Cost Auditors generally attend the meetings when matters concerning Cost Audit are dealt with by the Audit Committee and they attended one meeting of the Audit Committee in financial year ending 31st March 2018.

The date of the meeting of the Committee held for considering finalization of accounts for the year ending 31st March 2018 was 28th May, 2018.

The due date for filing of Cost Audit Report for the financial year ending 31st March 2017 in XBRL format was 30th September,2017 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 and reconstituted by the Board from time to time and lastly at its meeting held on 7th November, 2017. The Committee presently comprises of three Directors namely Mr. P.G. Pawar, Independent Director (Chairman), with Mrs. Namita Thapar, Women Director and Mr. Shishir Lall, Independent Director as Members.

Terms of reference

The Nomination and 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 any 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.

The criteria for evaluation of independent Directors includes the following;

a) Whether he upholds ethical standards of integrity and probity;

b) Whether he acts objectively and constructively while exercising his duties;

c) Whether he acts in a bona fide manner in the interest of the Company;

d) Whether he allows or does not allow any extraneous considerations to influence or vitiate his exercise of objective independent judgement in the para mount interest of the Company;

e) Whether he refrains from any action that would lead to loss of his independence;

f) Whether he assists the Company in implementing best corporate governance practices;

g) The degree of commitment to his responsibilities as an independent director;

h) Degree of participation in Board or Committee discussions and contribution to the decision making process;

i) Familiarity with the business model of the Company;

j) Taking initiative on matters of common interest of the Company; and

k) Keeping abreast of the latest developments in corporate governance and regulations.

Meetings and Attendance:

The Committee has met on 30th May 2017 during the financial year ended 31st March 2018. Each of the then Committee members attended the meeting 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 eight 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	8 out of 8
2.	Mr. Sanjay K Asher	Member	Independent	2 out of 8
3.	Mr. P R Rathi	Member	Independent	6 out of 8
4.	Mr. D K Chhabria	Member	Executive Chairman	5 out of 8
5.	Mr. Mahesh Viswanathan	Member	Deputy Managing Director & CFO	7 out of 8

One Complaint was received from investors during the year which was duly replied by the Company. No complaint was outstanding as on 31st March 2018.

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, Deputy Managing 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.

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 once in the financial year i.e. on 6th February, 2018. Each of the Committee Members attended the said meeting.

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, 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;

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 2018 on 30th May, 2017 and all the members of the Committee attended the said meeting except for Dr. H S Vachha.

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

Locations and Time for last 3 Annual General Meetings;

Year	Location	Date	Time	Whether any special resolution passed therein
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
2016-17	Auto Cluster Development and Research Institute, H Block, Plot C-181, Near D' Mart, Chinchwad, Pune - 411 019	28th September, 2017	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:

Section149(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 30th May, 2017, to:

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

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

10. DISCLOSURES

a) Disclosures regarding materially significant related party transactions:

For details please refer Note No. 32(A) 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 including establishment of vigil mechanism, whistle blower policy, etc. under SEBI ((Listing Obligations and Disclosure Requirements) Regulations, 2015 which came into effect from 1st December, 2015.

d) The non-mandatory requirements have not been adopted as a formal policy except for Nomination and Remuneration Committee as set out in Item 4 above.

e) The Company does not have any subsidiary at present and accordingly there is no policy for determining material subsidiaries.

f) The policy on dealing with related party transactions is available on Company's website: www.finolex.com

g) Disclosure of commodity price risks and commodity hedging activities, if any, is given in Management Discussion and Analysis Report (Ref. Annexure A to Directors Report)

h) Disclosure with respect to demat suspense account/ unclaimed suspense account:

At present, there are no such shares in the demat suspense account or unclaimed suspense account and accordingly there are no disclosures to be made in this regard for the financial year ended 31st March 2018.

11. MEANS OFCOMMUNICATIONS:

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 Report and the Shareholders' information section of Corporate Governance Report (Reference Annexure A and Annexure B to the Directors' Report respectively.)

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 behavior 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.

For and on behalf of the Board of Directors

Place: Pune
Dated: 28th May 2018

D.K. Chhabria
Executive Chairman

ANNEXURE C

CERTIFICATE OF COMPLIANCE

To,
The Members,
Finolex Cables Limited

We have examined the compliance of conditions of corporate governance by Finolex Cables Limited (hereinafter referred "the Company"), for the year ended on 31st March, 2018 as stipulated in relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosures requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Regulations, as applicable.

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

For **SVD & Associates**
Company Secretaries

Sridhar Mudaliar
Partner
F.C.S. 6156
C.P. No. 2664

Place: Pune
Date: 28th May 2018

ANNEXURE D

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN

as on financial year ended on 31st March, 2018
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	26-27, Mumbai - Pune Road, Pimpri,
	& contact details	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	M/s. Karvy Computershare Private Limited
	Registrar & Transfer Agent, if any.	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	79%
2	Communication Cables	3610	17%
3	Copper Rods	3493	2%

III. PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Finolex Industries Limited Gate 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)

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
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)

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

i) Category of Shareholders

(Rs. In Million)

Category of Shareholder	No. of Shares held at the beginning of the year (As on 31-03-2017)				No. of Shares held at the end of the year (As on 31-03-2018)				% Change During the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoters									
(1) Indian									
a) Individual /HUF	7,875,000	0	7,875,000	5.15%	7,875,000	0	7,875,000	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	46,966,170	0	46,966,170	30.71%	46,966,170	0	46,966,170	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) :-	**54,841,170**	**0**	**54,841,170**	**35.86%**	**54,841,170**	**0**	**54,841,170**	**35.86%**	**0.00**
(2) Foreign				0.00%				0.00%	
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	0.00%	0	0	0	0.00%	0
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	**54,841,170**	**0**	**54,841,170**	**35.86%**	**54,841,170**	**0**	**54,841,170**	**35.86%**	**0**
B. Public Shareholding								0.00%	
(1) Institutions								0.00%	
a) Mutual Funds	28,030,035	12,450	28,042,485	18.34%	29614068	9,950	29,624,018	19.37%	0.01
b) Banks / FI	26,500	11,500	38,000	0.02%	21,378	14,000	35,378	0.02%	0.00
c) Central Government	0	0	0	0.00%	0	0	0	0.00%	0.00
d) State Government(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	1,045,182	0	1,045,182	0.68%	1,045,182	0	1,045,182	0.68%	0.00
g) FIIs / FPIs	9,436,910	16,850	9,453,760	6.18%	10,060,011	16,850	10,076,861	6.59%	0.00
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) :-	**38,538,627**	**40,800**	**38,579,427**	**25.23%**	**40,740,639**	**40,800**	**40,781,439**	**26.67%**	**0.01**
2. Non-Institutions				0.00%				0.00%	
a) Bodies Corporate	24,828,016	406,897	25,234,913	16.50%	23,404,313	22,355	23,426,668	15.32%	-0.01

(Rs. In Million)

Category of Shareholder	No. of Shares held at the beginning of the year (As on 31-03-2017)				No. of Shares held at the end of the year (As on 31-03-2018)				% Change During the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Indian	0	0	0	0.00%	0	0	0	0.00%	0.00
ii) Overseas	0	0	0	0.00%	0	0	0	0.00%	0.00
b) Individuals				0.00%				0.00%	0.00
(i) Individuals holding nominal share capital upto Rs.1 lakh	14,791,110	1,923,569	16,714,679	10.93%	14,577,846	1,757,149	16,334,995	10.68%	0.00
(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	10,698,369	0	10,698,369	7.00%	10,046,041	384,292	10,430,333	6.82%	0.00
c) Others (Specify)				0.00%				0.00%	0.00
1) Non Resident Indians	835,637	23,600	859,237	0.56%	1,089,590	23,600	1,113,190	0.73%	0.00
Sub-Total (B)(2) :-	**51,153,132**	**2,354,066**	**53,507,198**	**34.99%**	**49,117,790**	**2,187,396**	**51,305,186**	**33.55%**	**-0.01**
Total Public Shareholding B=B(1)+B(2)	**89,691,759**	**2,394,866**	**92,086,625**	**60.21%**	**89,858,429**	**2,228,196**	**92,086,625**	**60.21%**	**0.00**
C Shares held by custodians for GDRs & ADRs	6,011,550	0	6,011,550	3.93%	6,011,550	0	6,011,550	3.93%	0.00
Grand Total (A+B+C) :	**150,544,479**	**2,394,866**	**152,939,345**	**100.00%**	**150,711,149**	**2,228,196**	**152,939,345**	**100.00%**	**-**

ii) Share Holding of Promoters

(Rs. In Million)

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2017)			Shareholding at the end of the year (As on 31.03.2018)			% 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	Aruna Kataria	2,812,850	1.84%	-	2,812,850	1.84%	-	0.00
2	Sunita Kishan Chhabria	1,163,400	0.76%	-	1,163,400	0.76%	-	0.00
3	Kishan Parsram Chhabria	950,750	0.62%	-	950,750	0.62%	-	0.00
4	Deepak Kishan Chhabria	936,750	0.61%	-	936,750	0.61%	-	0.00
5	Prakash Pralhad Chhabria	831,850	0.54%	-	831,850	0.54%	-	0.00
6	Vijay Kishan Chhabria	539,250	0.35%	-	539,250	0.35%	-	0.00
7	Hansika Hiya Prakash Chhabria	105,000	0.07%	-	105,000	0.07%	-	0.00
8	Gayatri Prakash Chhabria	105,000	0.07%	-	105,000	0.07%	-	0.00
9	Ritu Prakash Chhabria	95,000	0.06%	-	95,000	0.06%	-	0.00
10	Amit Katara	87,400	0.06%	-	87,400	0.06%	-	0.00
11	Amrita Katara	85,400	0.06%	-	85,400	0.06%	-	0.00
12	Vini Deepak Chhabria	33,750	0.02%	-	33,750	0.02%	-	0.00
13	Radhika Deepak Chhabria	30,000	0.02%	-	30,000	0.02%	-	0.00
14	Katara Mukhesh Dolumal	23,500	0.02%	-	23,500	0.02%	-	0.00
15	Karan Vijay Chhabria	22,500	0.01%	-	22,500	0.01%	-	0.00
16	Priya Vijay Chhabria	22,500	0.01%	-	22,500	0.01%	-	0.00
17	Rishi Vijay Chhabria	22,500	0.01%	-	22,500	0.01%	-	0.00
18	Katara Mukhesh Dolumal (HUF)	7,500	0.00%	-	7,500	0.00%	-	0.00
19	Pralahad Parsram Chhabria	100	0.00%	-	100	0.00%	-	0.00
20	Orbit Electricals Private Limited	46,956,120	30.70%	-	46,956,120	30.70%	-	0.00
21	Katara Dental Pvt Ltd	10,050	0.01%	-	10,050	0.01%	-	0.00
	Total	**54,841,170**	**35.86%**	**-**	**54,841,170**	**35.86%**	**-**	**0.00**

iii) Change in Promoters' Shareholding (Specify if there is no change)

(Rs. In Million)

Sr. No.	Name of Promoters	Share holding at the beginning of the Year (As on 01-04-2017)		Cumulative Share holding during the year (01-04-2016 to 31-03-2018)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	54,841,170	35.86%	54,841,170	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	**54,841,170**	**35.86%**	**54,841,170**	**35.86**

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

(Rs. In Million)

Sr. No.	Name of Shareholders	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
		No.of shares at the beginning (01-04-2017/ end of the year (31-03-2018)	% of total shares of the company				No. of shares	% of total shares of the company
1	FINOLEX INDUSTRIES LIMITED	22,187,075	14.51%	01-Apr-2017	Nil	No change	0	0.00%
				31-Mar-2018			22,187,075	14.51%
2	FRANKLIN INDIA SMALLER COMPANIES FUND	4,086,657	2.67%	01-Apr-2017			4,086,657	2.67%
				26-May-2017	29,782	Transfer	4,116,439	2.69%
				02-Jun-2017	1,092	Transfer	4,117,531	2.69%
				30-Jun-2017	50,000	Transfer	4,167,531	2.72%
				07-Juy-2017	23,158	Transfer	4,190,689	2.74%
				13-Oct-2017	-67,698	Transfer	4,122,991	2.70%
				20-Oct-2017	-18,689	Transfer	4,104,302	2.68%
				27-Oct-2017	-2,827	Transfer	4,101,475	2.68%
				15-Dec-2017	-20,569	Transfer	4,080,906	2.67%
				22-Dec-2017	-29,431	Transfer	4,051,475	2.65%
				31-Mar-2018			4,051,475	2.65%
3	FRANKLIN TEMPLETON MUTUAL FUND A/C FRANKLIN INDIA	4,030,052	2.64%	01-Apr-2017			4,030,052	2.64%
				30-Jun-2017	40,000	Transfer	4,070,052	2.66%
				30-Mar-2018	5,000	Transfer	4,075,052	2.66%
				31-Mar-2018			4,075,052	2.66%
4	ANIL RAMCHAND CHHABRIA	3,831,270	2.51%	01-Apr-2017	Nil	No change	3,831,270	2.51%
				31-Mar-2018			3,831,270	2.51%
5	DSP BLACKROCK MICRO CAP FUND	2,660,869	1.74%	01-Apr-2017			2,660,869	1.74%
				21-Jul-2017	250,000	Transfer	2,910,869	1.90%
				28-Jul-2017	233,815	Transfer	3,144,684	2.06%
				31-Mar-2017			3,144,684	2.06%

(Rs. In Million)

Sr. No.	Name of Shareholders	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
		No.of shares at the beginning (01-04-2017/ end of the year (31-03-2018)	% of total shares of the company				No. of shares	% of total shares of the company
6	ADITYA BIRLA SUN LIFE TRUSTEE PVT LTD	770,780	0.50%	01-Apr-2017			770,780	0.50%
				09-Feb-2018	25,500	Transfer	796,280	0.52%
				16-Feb-2018	97,000	Transfer	893,280	0.58%
				23-Feb-2018	100,000	Transfer	993,280	0.65%
				02-Mar-2018	200,000	Transfer	1,193,280	0.78%
				09-Mar-2018	100,000	Transfer	1,293,280	0.85%
				16-Mar-2018	146,946	Transfer	1,440,226	0.94%
				23-Mar-2018	100,000	Transfer	1,540,226	1.01%
				30-Mar-2018	23,200	Transfer	1,563,426	1.02%
				31-Mar-2018			1,563,426	1.02%
7	DSP BLACKROCK SMALL AND MID CAP FUND	1,455,519	0.95%	01-Apr-2017			1,455,519	0.95%
				21-Jul-2017	250000	Transfer	1,705,519	1.12%
				28-Jul-2017	233816	Transfer	1,939,335	1.27%
				09-Feb-2018	72680	Transfer	2,012,015	1.32%
				23-Mar-2018	20392	Transfer	2,032,407	1.33%
				23-Mar-2018	36762	Transfer	2,069,169	1.35%
				31-Mar-2018			2,069,169	1.35%
8	TATA MUTUAL FUND-TATA EQUITY P/E FUND	810,000	0.53%	01-Apr-2017			810,000	0.53%
				28-Apr-2017	-100000	Transfer	710,000	0.46%
				02-Jun-2017	20000	Transfer	730,000	0.48%
				23-Jun-2017	10000	Transfer	740,000	0.48%
				30-Jun-2017	12000	Transfer	752,000	0.49%
				07-Jul-2017	20000	Transfer	772,000	0.50%
				28-Jul-2017	97000	Transfer	869,000	0.57%
				04-Aug-2017	20000	Transfer	889,000	0.58%
				11-Aug-2017	20000	Transfer	909,000	0.59%
				18-Aug-2017	113432	Transfer	1,022,432	0.67%
				25-Aug-2017	50000	Transfer	1,072,432	0.70%
				22-Sep-2017	46568	Transfer	1,119,000	0.73%
				29-Sep-2017	15200	Transfer	1,134,200	0.74%
				06-Oct-2017	17500	Transfer	1,151,700	0.75%
				13-Oct-2017	40000	Transfer	1,191,700	0.78%
				27-Oct-2017	7500	Transfer	1,199,200	0.78%
				31-Oct-2017	8000	Transfer	1,207,200	0.79%
				10-Nov-2017	16768	Transfer	1,223,968	0.80%
				09-Mar-2018	-22500	Transfer	1,201,468	0.79%
				31-Mar-2018			1,201,468	0.79%

(Rs. In Million)

Sr. No.	Name of Shareholders	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
		No.of shares at the beginning (01-04-2017/ end of the year (31-03-2018)	% of total shares of the company				No. of shares	% of total shares of the company
9	SBI MAGNUM GLOBAL FUND	1,176,736	0.77%	01-Apr-2017			1,176,736	0.77%
				15-Dec-2017	-62500	Transfer	1,114,236	0.73%
				22-Dec-2017	-373000	Transfer	741,236	0.48%
				31-Mar-2018			741,236	0.48%
10	DSP BLACKROCK 3 YEARS CLOSE ENDED EQUITY FUND	1,154,862	0.76%	01-Apr-2017			1,154,862	0.76%
				07-Apr-2017	-17056	Transfer	1,137,806	0.74%
				14-Apr-2017	-29257	Transfer	1,108,549	0.72%
				21-Apr-2017	-35645	Transfer	1,072,904	0.70%
				28-Apr-2017	-9868	Transfer	1,063,036	0.70%
				12-May-2017	-42515	Transfer	1,020,521	0.67%
				19-May-2017	-52890	Transfer	967,631	0.63%
				14-Jul-2017	-100000	Transfer	867,631	0.57%
				21-Jul-2017	-500000	Transfer	367,631	0.24%
				28-Jul-2017	-367631	Transfer	0	0.00%
				08-Dec-2017	2046	Transfer	2,046	0.00%
				15-Dec-2017	1407	Transfer	3,453	0.00%
				22-Dec-2017	2264	Transfer	5,717	0.00%
				09-Feb-2018	-529	Transfer	5,188	0.00%
				31-Mar-2018			5,188	0.00%
11	MIRAE ASSET EMERGING BLUECHIP FUND	0	0.00%	01-Apr-2017			0	0.00%
				04-Aug-2017	996947	Transfer	996,947	0.65%
				18-Aug-2017	55741	Transfer	1,052,688	0.69%
				25-Aug-2017	130000	Transfer	1,182,688	0.77%
				01-Sep-2017	30867	Transfer	1,213,555	0.79%
				08-Sep-2017	43899	Transfer	1,257,454	0.82%
				15-Sep-2017	89000	Transfer	1,346,454	0.88%
				29-Sep-2017	8319	Transfer	1,354,773	0.89%
				06-Oct-2017	25816	Transfer	1,380,589	0.90%
				13-Oct-2017	40000	Transfer	1,420,589	0.93%
				17-Nov-2017	2914	Transfer	1,423,503	0.93%
				01-Dec-2017	6284	Transfer	1,429,787	0.93%
				02-Mar-2018	-192660	Transfer	1,237,127	0.81%
				09-Mar-2018	-4757	Transfer	1,232,370	0.81%
				16-Mar-2018	-102409	Transfer	1,129,961	0.74%
				31-Mar-2018			1,129,961	0.74%

(Rs. In Million)

Sr. No.	Name of Shareholders	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
		No.of shares at the beginning (01-04-2017/ end of the year (31-03-2018)	% of total shares of the company				No. of shares	% of total shares of the company
12	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C	0	0.00%	01-Apr-2017			0	0.00%
				10-Nov-2017	20000	Transfer	20,000	0.01%
				17-Nov-2017	200000	Transfer	220,000	0.14%
				24-Nov-2017	299700	Transfer	519,700	0.34%
				01-Dec-2017	353665	Transfer	873,365	0.57%
				08-Dec-2017	13300	Transfer	886,665	0.58%
				05-Jan-2018	146400	Transfer	1,033,065	0.68%
				23-Mar-2018	60000	Transfer	1,093,065	0.71%
				31-Mar-2018			1,093,065	0.71%
13	LIFE INSURANCE CORPORATION OF INDIA	1,045,182	0.68%	01-Apr-2017			1,045,182	0.68%
				31-Mar-2018			1,045,182	0.68%
14	RAMESH BHAGWANDAS CHHABRIA	1,029,865	0.67%	01-Apr-2017			1,029,865	0.67%
				07-Apr-2017	-2984	Transfer	1,026,881	0.67%
				14-Apr-2017	-6500	Transfer	1,020,381	0.67%
				12-May-2017	-1500	Transfer	1,018,881	0.67%
				02-Jun-2017	-1000	Transfer	1,017,881	0.67%
				16-Jun-2017	-2500	Transfer	1,015,381	0.66%
				21-Jul-2017	-500	Transfer	1,014,881	0.66%
				25-Aug-2017	-1000	Transfer	1,013,881	0.66%
				08-Sep-2017	-1000	Transfer	1,012,881	0.66%
				15-Sep-2017	-462800	Transfer	550,081	0.36%
				09-Feb-2018	-212581	Transfer	337,500	0.22%
				31-Mar-2018			337,500	0.22%

v) Shareholding of Directors & Key Managerial Personnel:

(Rs. In Million)

Sr. No.	Name of the Director / KMP	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
		No. of Shares at the beginning (01-04-2017) / end of the year (31-03-2018)	% of total shares of the Company				No. of shares	% of total shares of the company
A	**DIRECTORS:**							
1	Mr. D K Chhabria	936,750	0.61%	01-Apr-2017	0	Nil movement during the year		
	Executive Chairman	936,750	0.61%	31-Mar-2018			936,750	0.61%

(Rs. In Million)

Sr. No.	Name of the Director / KMP	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
		No. of Shares at the beginning (01-04-2017) / end of the year (31-03-2018)	% of total shares of the Company				No. of shares	% of total shares of the company
2	Mr. H S Vachha	0	0.00%	01-Apr-2017	0	Nil movement during the year		
	Independent Non-Executive Director	0	0.00%	31-Mar-2018			0	0.00%
3	Mr. Atul C Choksey	0	0.00%	01-Apr-2017	0	Nil movement during the year		
	Independent Non-Executive Director	0	0.00%	31-Mar-2018			0	0.00%
4	Mr. Sanjay K Asher	12,395	0.01%	01-Apr-2017	0	Nil movement during the year		
	Independent Non-Executive Director	12,395	0.01%	31-Mar-2018			12,395	0.01%
5	Mr. P G Pawar	0	0.00%	01-Apr-2017	0	Nil movement during the year		
	Independent Non-Executive Director	0	0.00%	31-Mar-2018			0	0.00%
6	Mr. S B (Ravi) Pandit	0	0.00%	01-Apr-2017	0	Nil movement during the year		
	Independent Non-Executive Director	0	0.00%	31-Mar-2018			0	0.00%
7	Mr. P R Rathi	0	0.00%	01-Apr-2017	0	Nil movement during the year		
	Independent Non-Executive Director	0	0.00%	31-Mar-2018			0	0.00%
8	Mr. Adi Engineer	0	0.00%	01-Apr-2017	0	Nil movement during the year		
	Independent Non-Executive Director	0	0.00%	31-Mar-2018			0	0.00%
9	Mr. Mahesh Viswanathan	0	0.00%	01-Apr-2017	0	Nil movement during the year		
	Deputy Managing Director & CFO	0	0.00%	31-Mar-2018			0	0.00%
10	Ms. Namita V Thapar	0	0.00%	01-Apr-2017	0	Nil movement during the year		
	Non-Executive Director (Woman Director)	0	0.00%	31-Mar-2018			0	0.00%
11	Mr. Sumit N Shah	0	0.00%	01-Apr-2017	0	Nil movement during the year		
	Independent Non-Executive Director	0	0.00%	31-Mar-2018			0	0.00%
12	Mr. Shishir Lall	0	0.00%	01-Apr-2017	0	Nil movement during the year		
	Independent Non-Executive Director	0	0.00%	31-Mar-2018			0	0.00%
B	**KEY MANAGERIAL PERSONNEL (KMP)**							
1	Mr. R G D'Silva	0	0.00%	01-Apr-2017	0	Nil movement during the year		
	Company Secretary & President (Legal)	0	0.00%	31-Mar-2018			0	0.00%

V(A). INDEBTNESS

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	-			-
ii) Interest due but not paid	-			-
iii) Interest accrued but not due	-			-
Total (i+ii+iii)	**-**			**-**
Change in Indebtedness during the financial year				
Additions	-			-
Reduction	-			-
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)	**-**			**-**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of the MD/WTD/Manager		Total Amount
		Mr. DK 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	11.43	18.93
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	7.50	0.12	7.62
	(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%)	100.00	-	100.00
	- others (specify) (Incentive)	-	12.50	12.50
5	Others, please specify	-	-	
	Total (A)	**115.00**	**24.04**	**139.04**
	Ceiling as per the Act (10%)			708.7

B. Remuneration to other directors

(Rs. In Million)

Sr. No.	Particulars of Remuneration	Name of the Directors								Total Amount
		Dr. HS Vachha	Mr. Asher	Mr. P Pawar	Mr. S (Ravi)	Mr. PR Rathi	Mr. AJ Engine	Mr. Lall	Mr. Shah	
1	Independent Directors									
	(a) Fee for attending board/committee meetings	0.1	0.18	0.36	0	0.29	0.03	0.11	0.03	1.1
	(b) Commission	1.2	1.2	2	0.5	1.2	0.5	1.2	0.5	8.3
	(c) Others, please specify	0	0	0	0	0	0	0	0	0
	Total (1)	**1.3**	**1.38**	**2.36**	**0.5**	**1.49**	**0.53**	**1.31**	**0.53**	**9.4**
2	Other Non Executive Directors	**Namita V Thapar**								**Total Amount**
	(a) Fee for attending board/committee meetings	0.06								0.06
	(b) Commission	1.2								1.2
	(c) Others, please specify									0
	Total (2)	1.26								1.26
	Total (B)=(1+2)									10.7
	Total Managerial									149.7
	Remuneration									
	Overall Cieling as per the Act. (11%)									779.6

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

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. 1961.	-	4.4	-	-
(b)	Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	0.3	-	-
(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		**4.7**		

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

ANNEXURE E

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	403.7X
		Dr. H.S. Vachha	4.2X
		Shri. Sanjay k Asher	4.2X
		Shri. Pratap G Pawar	7.0X
		Shri. S B (Ravi) Pandit	1.8X
		Shri. P R Rathi	4.2X
		Shri. Adi J Engineer	1.8X
		Smt. Namita V Thapar	4.2X
		Shri. Sumit N Shah	1.8X
		Shri. Shishir Lall	4.2X
		Shri. Mahesh Viswanathan	84.4X
		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 Shri. M. Viswanathan Shri. R. G. D`Silva	15.0% 15.0% 43.7%
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 5%	
4.	The number of permanent employees on the rolls of company	1828 (including whole time directors)	
5.	Average percentage increase already made in the salaries of the employees other than ihe managerial personnel in the last last financial year and its comparison with the percentage increase in the managerial remuneration.	Average increase in the remuneration is 8.3 % for the employees other than Managerial Personnel and 10.3 % for Managerial Personel.	
6.	The key parameters for any variable component of remuneration availed by the directors	Both, Shri. D.K. Chhabria, Executive Chairman and Shri. M. Viswanathan, Executive -Deputy Managing Director 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 Notice:

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

For and on behalf of the Board of Directors

Place: Pune
Dated: 28th May 2018

D.K. Chhabria
Executive Chairman

ANNEXURE F

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: Magnum Machine Technology Limited, Sakal Media Private Limited, Sakal India Foundation, Sakal Relief Found.

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. 25.9 million

e) Date of approval by Members, if any: 28th September, 2017

f) Amount paid as advances, if any: NIL

For and on behalf of the Board of Directors

Place: Pune
Dated: 28th May 2018

D.K. Chhabria
Executive Chairman

ANNEXURE G

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31st March, 2018

[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 to as" the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2018** 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, 2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and The Companies Amendment Act, 2017 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 **(not applicable to the Company during the Audit Period)**;

(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.

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 the 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 except that :

The Company has not filed e-Form IEPF-3, as required in terms of sub-section (6) of section 124 read with clause (b) of sub rule (3) of rule (6) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, for intimating the details of shares not transferred to the IEPF

Authority due to specific order of court or tribunal or statutory authority restraining any transfer of such shares and payment of dividend thereon.

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:

1) At the Annual General Meeting of the Company held on 28th September, 2017, the following resolutions were passed as special resolutions:

    a) For payment of commission to Non-Whole Time Directors, not exceeding one percent of the net profits of the company or Rupees One Crore, whichever is lower, as may be determined by the Board in each financial year.

    b) 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 and Fifty Crores only) on private placement basis.

    c) For approval of the company to continue to purchase optical fibre from Corning Finolex Optical Fibre Private Limited.

2) At the Annual General Meeting of the Company held on 28th September, 2017:

    (a) The special resolution relating to appointment of Mr. K P Chhabria as Advisor of the Company with effect from 1st October, 2017 was not approved by the shareholders.

    (b) The ordinary resolution related to appointment of independent director was not approved by the shareholders.

For **SVD & Associates**

Company Secretaries

Sridhar G. Mudaliar

Partner

Place: Pune FCS No: 6156

Date: 28th May, 2018 C P No: 2664

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.

'ANNEXURE A TO THE SECRETARIAL AUDITOR'S REPORT DATED 28TH MAY, 2018'

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

Place: Pune FCS No: 6156
Date: 28th May, 2018 C P No: 2664

ANNEXURE H

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) Factory Shed lights changed from HPMV 250 W to 80 W LED light fittings to ensure reduced power consumption.

(ii) Location of power panels rearranged closer to machines to reduce distribution losses.

(iii) New Chillers installed near the machines to save energy and heat losses.

(iv) Replacement of old MS pneumatic pipe line with Aluminum extruded AirNet pipe to reduce compressed air consumption.

(v) Pneumatic air wiper replaced with Air Knife with electrical blower to reduce air consumption in Insulation line.

(vi) Thermal Insulation of chilled water trough and chilled water pipe to increase the efficiency of chiller and reduce energy consumption.

(vii) New RTPFC panel installed and power factor is regularly monitored with it and APFC panels maintain at optimum level to reduce power losses and consumption.

(viii) Light dependent switching panel installed for switching On/Off street light and plant light.

(ix) Improved preventive maintenance of machines to reduce energy loss.

(x) Regular monitoring and rectification of air leakage is done to reduce air consumption.

(xi) STP Plant treated water and 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 FR XLPE for auto wires conforming TXL/GXL requirement
- To develop TPE Type D compound for Electrical Commercial Vehicles
- 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
(b)	Recurring	}	by the concerned departments on
(c)	Total	}	an ongoing basis. The expenses
(d)	Total R & D expenditure as a percentage of total turnover	}	and the costs of assets are grouped under the respective heads.

Technology Absorption, Adaptation and Innovation:

1. Efforts in brief, made towards technology absorption, adaptation and innovation:
   (a) Single component Ambi-cure XLPE compound developed with new Technology. This is a latest method with low energy/manpower requirement.
   (b) Several grades of PVC compounds were reformulated to suit higher line speeds and also made environmentally friendly complying with ROHS requirements.
   (c) Continuous efforts are going on for further developing, improving and upgrading all types of cables.

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

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

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

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:

The market conditions overseas continue to be difficult FOB value of exports for the year was lower than the previous year at Rs. 274.9 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. 274.9 Million
ii)	Outgo by way of Imports	:	Rs.1,716.3 Million

For and on behalf of the Board of Directors

Place: Pune
Dated: 28th May 2018

D.K. Chhabria
Executive Chairman

ANNEXURE I

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)

FORM AOC 1

Statement containing salient features of the financial statement of subsidiaries/Associate Companies

Part "A":Subsidiaries

The Company has no subsidiaries

Part "B":Associates and Joint Ventures

(Rs. In Million)

Name of Associates or Joint Ventures	Finolex Industries Ltd (FIL)	Finolex J-Power Systems Pvt.	Corning Finolex Optical Fibre Pvt.
	Associate	Joint Venture	**Joint Venture**
1. Latest audited Balance Sheet Date	31st March, 2018	31st March, 2018	31st March, 2018
2. Date on which the Associate or Joint Venture was associated or acquired	31st March,1989	15th May, 2008	17th September, 2014
3. Shares ofAssociates or Joint Ventures held by the company on the year end			
No. of shares	40,192,597	133,770,000	1,750,000
Amounte on Investment in Associates or Joint Ventures	1,518.5	1,337.7	17.5
Extend of Holding %	32.39%	49%	50%
4. Description of how there is significant influence	There is significant influence due to shareholding	There is significant influence due to joint control over the economic activities	
5. Reason why the Associate or Joint Venture is not consolidated	Applicable	Applicable	Applicable
6. Networth attributable to shareholding as per audited Balance Sheet	4,547.2	509.2	70.8
7. Profit /(Loss) for the Year *	3,063.4	(320.6)	113.2
i. Considered in Consolidation	919.7	(161.1)	56.6
ii. Not Considered in Consolidation	-	-	-

Note:

* In respect of FIL Profit for the year excludes fair value gain booked in respect of FIL holding in the Company.

For and on behalf of the Board of Directors

Place: Pune
Dated: 28th May 2018

D.K. Chhabria
Executive Chairman

ANNEXURE J

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITIES (CSR) ACTIVITIES

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

Composition of the CSR Committee

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

The Committee met twice during the year under review.

The Prescribed CSR expenditure for the current year was Rs. 56 Million (calculated based on 2% of the average net profit of the past three financial years). While various projects were sanctioned with an expenditure of Rs. 56 Million, the amounting actually spent during the year was Rs. 46 Million, whereas, unspend amount including carry forward of the previous year Rs. 60.9 Million will be spend in 2018-19.

Status of CSR Projects

Carried forward Project from 2015-16

(Rs. In Lacs)

Sr. No.	Details of Project	Amount earmarked	Amount spent in 2017-18	Balance Carried Forward in 2018-19	Remarks	Status
1.	Finolex Academy of Management & Technology - Building for Library & Administrative Block	300.00	-	300.00	Project delayed. Funds earmarked will be deployed for other projects	Closed

Carried forward Projects from 2016-17

(Rs. In Lacs)

Sr. No.	Details of Project	Amount earmarked	Amount spent in 2017-18	Balance Carried Forward in 2018-19	Remarks	Status
1.	Ozarde Grampanchayat, Urse	25.00	25.00	0.00		Closed
2.	Pawana Hospital (health care for needy)	50.00	20.92	29.08		On going
3.	Kursali Grampanchayat, Roorkee	50.00	27.90	22.10		On going
4.	Urse Grampanchayat (STP Project)	50.00	0.00	50.00	Delay on account of land acquisition by the Village Panchayat. Work has now commenced.	Open
5.	Gram Panchayat - Adhe Village (Urse)	4.48	4.48	0.00		Closed
6.	Superintendent of Police, Pune Rural	60.00	0.00	60.00	The police department has requested for a change of site which is under approval of PWD. Work will commence once formalities are completed.	Open
		239.48	**78.30**	**161.18**		

Projects sanctioned in 2017-18

(Rs. In Lacs)

Sr. No.	Details of Project	Amount earmarked	Amount spent in 2017-18	Balance Carried Forward in 2018-19	Remarks	Status
1.	Medical Facility & Health care to Maharaj Jagat Singh Society (RSSB)	125.00	125.00	0.00		Closed
2.	Sakal Relief Fund / Sakal Foundation	100.00	100.00	0.00		Closed
3.	Sewage Treatment Plant (STP) at Urse	35.00	0.00	35.00	Additional amount sanctioned for the project carried over from earlier year.	Open. Work has now commenced.
4.	URSE Health Camp (Pawana Hospital)	10.00	0.00	10.00	Rs. 10 Lakhs is in addition to balance amount of 29.08 Lakhs remaining from earlier years' sanction.	Open
5.	Verna (Goa) School equipment	10.00	9.05	0.95		Open
6.	Roorkee School equipment (Kursali Grampanchayat)	25.00	0.00	25.00	Rs. 25 lakhs is in addition to the balance of Rs.22.10 lakhs from earlier years' sanction	Open
7.	Jehangir Hospital Pune Treatment for H1B Diabetic needy children	25.00	23.40	1.60		Open
8.	ONP Hospital, Pune for needy patients	75.00	0.00	75.00	Detailed proposal recently received, expense to be undertaken.	Open
9..	Swades Foundation - A NGO founded by Mr. Ronnie Screwvala	55.00	55.00	0.00		Closed
10.	Namami Ganga - Clean Ganga Project	100.00	100.00	0.00		Closed
	Total	**560.00**	**412.45**	**147.55**		

For and on behalf of the Board of Directors

Place: Pune
Dated: 28th May 2018

D.K. Chhabria
Executive Chairman

Business Responsibility Report

ANNEXURE K

Section A	General information about the Company	
1	Corporate identification number	L31300MH1967PLC016531
2	Name of the Company	Finolex Cables Ltd.
3	Registered address	26-27Mumbai-Pune Road, Pimpri, Pune 411 018 (India)
4	Website	www.finolex.com
5	Email address	sales@finolex.com
6	Financial year reported	1st April 2017 – 31st March 2018
7	Sector(s) that the Company is engaged in	Cables
8	Three key products/services manufactured/ provided by the Company	Electrical / Communication Cables & Other Electrical products
9	Total number of locations where business activity is undertaken by the Company	**Registered Office -Plant** **Pimpri:** 26/27, Mumbai-Pune Road 26/27, Mumbai-Pune Road Pimpri, Pune-411018 **Plant Location:** **Urse:** Talukal Maval, Dist: Pune-410506 **Goa:** Plot No.117/L118, Verna Industrial Estate, Verna Salcette-South Goa Goa-403722, Plot No.S263/2 **Panjim:** Belgaum Road, Usgoan- Tisk, Ponda, Goa-403406 **Roorkee:** Plot Nos.K-1 & K-2 AIS Industrial Estate Latherdeva Hoon, Mangalaur Zebreda Road, Roorkee, Taluka Haridwar, Uttarakhand – 247 667
10	Markets served by the Company	India
Section B	**Financial details of the Company**	
1	Paid up capital	Rs. 305.9 Million
2	Total turnover	Rs. 28,842.3 Million
3	Total profit after tax	Rs. 3,582.0 Million
4	Total spending on CSR as percentage of PAT	2%
5	List of the activities in which expenditure in 4 above has been incurred	Please refer to the CSR Annual Report which form part of this Annual Report
Section C	**Other details**	
1	Does the Company has any subsidiary company/companies?	NA
2	Do the subsidiary company/companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s)	NA
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities [Less than 30%, 30-60%, More than 60%]	NA

Section D	BUSINESS RESPONSIBILITY (BR) INFORMATION	
Details of Director / Directors Responsible for BR		
The details of members of Corporate Social Responsibility (CSR) Committee and their roles and responsibilities are elaborated in CSR Annual Report and Corporate Governance Report forming part of this Annual Report.		
The DIN details of the CSR Committee members are as follows:		
Name	**Designation**	**DIN**
MR. P. R. Rathi	Independent Director	00012596
MR. D. K. Chhabria *	Executive Chairman	01403799
Mr. Mahesh Viswanathan	Deputy Managing Director & CFO	02780987
* Chairman		
Section E	**Principle-wise performance**	
1	Principle-wise performance	Included in this report

PREFACE

Finolex Cables Ltd.(FCL) Presents its First 'Business Responsibility Report' (BRR), as mandated by Securities and Exchange Board of India (SEBI) for top 500 listed entities under Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI LODR").The Company will conduct a self assessment annually in respect of its performance on this account. The following report aims at describing the initiatives taken by the Company in discharging its responsibilities from an environmental, social and governance perspective.

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

Ethics, transparency and accountability are central to FCL business philosophy. The Company believes that trust, integrity and credibility are key elements in creating value for its stakeholders. In order to ensure that these principles are adhered to, FCL adopted a Company-wide 'Code of Conduct' (CoC) same is approved by its Board of Directors.

Ethics:- Your Company expects that all employees shall act honestly in good faith, use due care and diligence in performing their duties, exercising their powers and avoid situations in which their personal interest could conflict with the interest of the Company.

Transparency:- Your Company expects that all employees shall ensure that their actions in the conduct of business are totally transparent and except where the needs of business security dictate otherwise, and in the best interest of the company.

Accountability:- Your Company expects that no employee shall either use or disclose any confidential information gained in the course of employment with the Company for personal profit or for the advantage of any other person.

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE

FCL is a firm believer in the philosophy that aligning business actions with sustainability goals ensures long-term growth for the Company. It recognizes that its business operations are dependent on the natural environment while simultaneously impacting it. Thus, it invests time and resources to ensure safety and resource efficiency at all stages of the product life, including product development, plant operations and supply chain management

Product sustainability

Your Company has the broadest range of electrical wires and cables, accessories, lighting products, switch gear products, fans and water heater. Whatever the needs one has in this area, one can count on FCL to deliver superior solution.

Sustainable sourcing

All major vendors are being assessed to ensure that they adopt sustainable practice .

Waste Reduction:

FCL makes continuous efforts to reduce the quantum of waste being generated, directly or indirectly, due to its operations. For this, it works closely with its vendors, as well as improving process within its plants.

PRINCIPLE 3: BUSINESSES SHOULD PROMOTE THE WELL-BEING OF ALL

FCL believes in continuous improvement to meet the challenges of tomorrow. One of the important and greatest asset is our employees who more ensures that day to day challenges are effectively met towards conquering the day to day challenges. We are creating a safe, positive work environment that nurtures a high performance culture in our journey to be one of the best Electrical Products manufacturing Company.

In the year 2017-18, FCL hired 330 employees, including 190 regular employees, 140 trainees taking on strength to 1828. Our stable workforce is a indicator of satisfied employees thus keeping FCL embarked on a continuous process of expansion and modernization. This has enabled us to become one of the most diversified and largest manufacturer of electrical products Company in the country.

We believe in freedom of expression. We have a registered workers union at our Urse plant. Strong grievance handling mechanism is in place. Line managers are actively involved in solving day to day problems of our workers. All the challenges are resolved amicably. This has ensured that there is no stoppage of work in our Company.

We have policy on 'Prevention of Sexual Harassment at Workplace'(POSH) in place to ensure the safety and security of women employees. We also celebrate International Women's Day as part of one of our women workforce engagement.We have arranged awareness programs, and other training programs to ensure a conjenial work atmosphere.

FCL believes in continuous enhancement of skills and upkeep of its workforce to secure the overall productivity of the organization. Our approach is always focused to achieve skill upgradation. In the year 2017-18 more than 1200 employees were part of learning process through 95 training programmes delivered at over 1312 training man days. We also have successfully implemented On Job Training for 140 trainees upgrading their skills to inline with organization's overall productivity requirements.

The whole learning and development program was focused to develop skills of the employees in accordance with the customer requirements. All the training programmes have covered functional, soft skills, technical, work safety, health and applicable systems areas. The entire contract labours undergone rigorous training related to safety and work requirements.

The Company conducts audits of its suppliers for material and manpower to ensure statutory and process compliance.

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED

FCL is an equal opportunity employer and ensures that there is no discrimination of any type for socially disadvantaged sections in the work place.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

The Company is dedicated to uphold the human rights of all its internal and external stakeholders. It ensures compliance with all applicable laws pertaining to human rights. A legal compliance report is submitted to the Company's Board of Directors on a quarterly basis. There were no complaints on violation of human rights in the year 2017-18.

PRINCIPLE 6: BUSINESS SHOULD RESPECT, PROTECT AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

FCL continually strives to minimize the environmental impact of its operations through sustainable practices and responsible use of natural resources. Further, it is committed to creating and preserving a clean environment and society.

FCL is dedicated to the continual improvement of its safety, occupational health and environmental performance. It continues to remain in full compliance with all applicable regulations.

The Company believes in providing a safe and healthy working environment by promoting good physical working conditions, standards of hygiene, housekeeping and preservation of the environment.

All plants of FCL operate as per the 'Consent-to-Operate' provided by the respective State Pollution Control Board (SPCB) and are within permissible limits with regards to the emissions and waste generated.

PRINCIPLE 7: BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER

As a responsible member of various national as well as international associations, FCL actively engages in policy advocacy. FCL presents its views on the setting of new industry standards and regulatory developments pertaining to the cable manufacturing industry. It covers areas such as governance and administration, economic reforms, inclusive development policies, among others.

Some of the key associations of which FCL is member are:

- Confederation of India Industry (CII)
- Mahratta Chambers of Commerce, Industries and Agriculture
- Export Engineering Promotion Council

PRINCIPLE 8: BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

FCL believes that true and full measure of growth, success and progress lies beyond balance sheets or conventional economic indices. It is best reflected in the difference that business and industry make to the lives of people.

Through its social investments, FCL addresses the needs of communities residing in the vicinity of its facilities by taking sustainable initiatives in the areas of health, education, and infrastructure and community development.

GUIDING PRINCIPLES

FCL believes that social investments should:

- **Benefit generations:** The Company believes in 'investment in resource creation' for use over generations. The Company tries to identify sustainable projects which will benefit the society over long periods.

- **Educate for self-reliance and growth:** To usher in a growth-oriented society and thereby a very strong and prosperous nation, by educating each and every Indian.

- **Promote health:** The Company believes good health is a pre-requisite for both education and productivity.

- **Encourage for self-help:** To guide and do hand holding for self-help, individually and collectively to create excellence for self and for the team.

- **Be focused:** The Company believes that activities should be focused around locations where it has a presence and hence can effectively guide, monitor and implement specific projects.

- **Target those who need it most:** : Care for the sections of the society, which are socially at the lowest rung irrespective of their religion or caste or language or color.

- **Sustain natural resources:** The Company encourages balanced development and ensure least adverse impact on environment – Growth with Mother Nature's– blessings

OUR ACTIVITIES

(Please refer to the Annual Report on CSR activities for a detailed list of partners and grant amounts)

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

FCL actively interacts with its customers through a variety of platforms such as call centers, web-based interfaces, dealer showrooms and service centers. The Company also organizes service camps at various locations to interact with customers at a personal level and solve their issues.

Shareholder / Debentureholder Information

Registered Office

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

[CIN: L31300MH1967PLC016531]

ANNUAL GENERAL MEETING

The Fiftieth Annual General Meeting ("AGM") of the Company will be held on Tuesday, 25th September, 2018 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 : 25th September, 2018

b) Results for quarter ending 30th June 2018 : Second week of August, 2018

c) Results for quarter ending 30th September 2018 : Second week of November 2018

d) Results for quarter ending 31st December 2018 : Second week of February 2019

e) Results for quarter ending 31st March 2019 : Last week of May 2019

Dates of Book Closure

The Company's Transfer Books will be closed from Saturday, 15th September 2018 to Tuesday, 25th September 2018 (both days inclusive) for purpose of AGM and for payment of Dividend for the year ending 31st March 2018.

Dividend Payment

The Board of Directors of the Company at its meeting held on 28th May, 2018 recommended payment of Dividend @200% (i.e. Rs.4.00 per equity share of Rs.2/- each fully paid up) for the year ending 31st March 2018. 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 24th October, 2018 to those members whose names appear in the Register of Members as on the date of AGM. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership as per the details to be received from the Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose, the same being as of close of their respective hours of business on the date immediately preceding the aforesaid Book Closure period (i.e., as of Friday, 14th September, 2018).

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 2018-19 as applicable has been paid to the Stock Exchanges (i.e., NSE and BSE) and Annual Maintenance Fees for the Calendar year 2018 has been paid by the Company to the Luxembourg Stock Exchange in respect of the GDRs listed thereon.

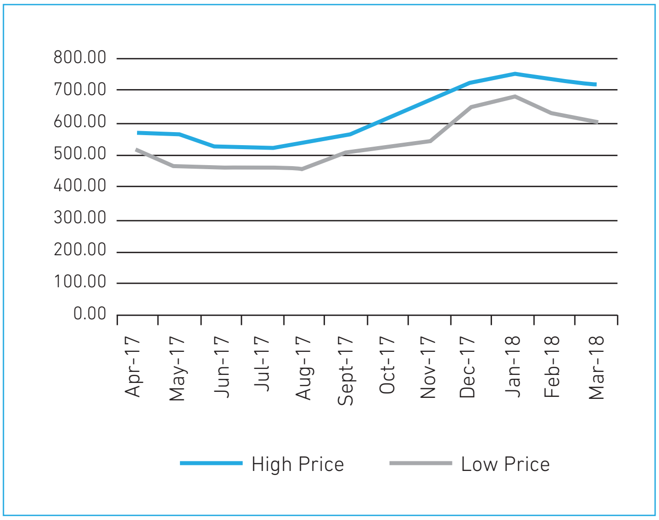
Stock Market Data

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:

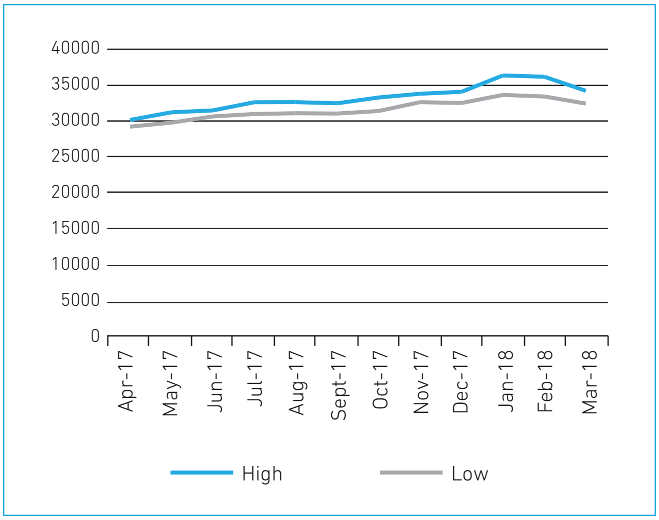
Period	NSE			BSE		
	High (Rs.)	Low (Rs.)	Volume Shares traded (Nos.)	High (Rs.)	Low (Rs.)	Volume Shares traded (Nos.)
April 17	572.80	512.00	1148581	571.00	513.70	303339
May 17	546.90	476.10	1283483	571.00	473.10	121325
June 17	520.00	451.50	1460674	524.00	454.00	215128
July 17	524.40	458.90	2174812	524.00	460.95	1799318
August 17	546.90	463.15	1687261	545.00	453.90	261244
September 17	569.25	510.15	1518877	568.00	510.55	128817
October 17	630.90	533.10	2202485	632.70	533.35	387237
November 17	681.00	542.90	1767086	680.00	548.00	793456
December 17	731.80	654.30	2620764	728.45	654.05	598050
January 18	749.90	682.00	879747	750.00	682.25	137623
February 18	757.90	615.50	1596458	731.80	630.10	130885
March 18	720.00	613.00	2457717	725.00	611.00	137883
Total			20797945			**5014305**

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

Monthly high/low price of Company's equity shares on BSE Limited



Monthly high/low price of S&P BSE Limited Sensex



Shareholding Pattern as on 31st March 2018

		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	29,624,018	19.37%
	b	Banks and Financial Institutions including UTI	35,378	0.02%
	c	Foreign Portfolio Investors	10,076,861	6.59%
	d	Insurance Companies	1,045,182	0.68%
		Sub Total	**40,781,439**	**26.66%**
		OTHERS:		
	a	Private Corporate Bodies** including NBFCs	23,426,668	15.32%
	b	Indian Public including HUFs	26,730,582	17.48%
	c	NRIs/ OCBs	1,113,190	0.73%
	d	Clearing Members***	34,746	0.02%
	e	Any others (Custodian for GDRs)	6,011,550	3.93%
		Sub Total	**57,316,736**	**37.48%**
		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 2018 with any party / bank.

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

*** In case an investor has bought any shares, such investors must ensure that the relevant shares are 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.

Distribution by size of Shareholding as on 31st March 2018

No. of Equity Shares held	No. of Members	% of Members	No. of Shares	% of Shareholding
1-5000	42,426	98.74%	13,854,945	9.06%
5001-10000	237	0.55%	1,701,611	1.11%
10001 & above	305	0.71%	137,382,789	89.83%
Grand Total	42,968	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 – 2016 - 2018

31st March	No. of members
2016	39,380
2017	39,279
2018	42,968

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)
2016-17	28th September, 2017	2	150	3.00
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

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.

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 2018, 98.54% (i.e., NSDL: 95.73% and CDSL: 2.81%) of the equity share capital of the Company has been dematerialized.

Annual custody fees for the financial year 2017-18 had been paid by the Company to NSDL and CDSL

Outstanding GDRs/ DRs/ Warrants, etc.

There are no outstanding GDRs/ DRs/ Warrants or any convertible instruments for conversion as on 31st March 2018.

Plant Locations:

Pimpri (Electrical Cables) 26/27, Mumbai-Pune Road Pimpri, Pune - 411 018 Telephone Nos.: 27475963/27506200 Facsimile No.: (020) 27472239 Email: sv_joshi@finolex.com	**Urse (Electrical & Communication Cables)** Taluka Maval Dist – Pune - 410 506 Telephone Nos.: (02114) 662466 Facsimile No.: (02114) 237025 Email: pm_deshpande@finolex.com
Urse (Optic Fibre and Optic Fibre Cable) Urse, Taluka Maval Dist – Pune - 410 506 Telephone Nos.: (02114) 662466 Email: sunil@finolex.com	**Urse (Lighting)** Plot No. 399, Village Urse Taluka Maval Dist – Pune - 410 506 Telephone Nos.: (02114) 662466 Email: svdeshpande@finolex.com
Urse (Switches) Gat No. 344 Village Urse, Taluka Maval Dist- Pune - 410 506 Telephone Nos.: (02114) 662466 Email: MV_Rangwani@finolex.com	**Urse (Power Cable)** Gat No. 343, Village Urse, Taluka Maval, Dist-Pune-410 506 Telephone Nos.: (02114) 662466 Email: PB_Jaisingh@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 (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
Goa (CCC Rod) Plot No. S263/2, Panjim-Belgaum Road, Usgaon – Tisk, Ponda, Goa – 403 406 Telephone Nos.:(0832) 2344376/8/9 Email: knarayanan@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 Email: pravin_ahire@finolex.com
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. 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 – Senior Manager – Secretarial Mr. Gitesh Karandikar – Manager – Secretarial	**Contact Persons:** Ms. Sripriya Senthilkumar – Dy. General Manager Ms. Krishna Priya - Manager Mr. Sunil Ponugoti - Deputy Manager

Shareholder information On-line:

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

Nomination facility:

Individual members (whether holding shares singly or jointly) can avail of the facility of nomination. As per the provisions of Section 72 of the Companies Act, 2013 the nominee shall be the 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's website: http://www.finolex.com. In case of any assistance, please contact the Secretarial Department at the above Registered Office of the Company.

Members Contact Email Address:

The Government in its concern for the environment has, as part of its green initiative, vide Circular No. 17/2011 dated 21st April 2011 issued by the Ministry of Corporate Affairs, permitted companies to serve requisite documents through electronic mode on their members. 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 2017-18 and no NCD is outstanding as on 31st March 2018.

Independent Auditor's Report

To The Members of Finolex Cables Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of FINOLEX CABLES LIMITED ("the Company"), which comprise the Balance Sheet as at 31 March, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation 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 Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone 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.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

OPINION

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 Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit, we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash

Flow Statement and 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 Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

e) On the basis of the written representations received from the directors of the Company as on 31 March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Place: Mumbai
Dated: 28th May, 2018

Rupen K. Bhatt
Partner
(Membership Number: 46930)

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 31 March, 2018 in conjunction with our audit of the standalone Ind AS 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2018, based on criteria for the internal control over financial reporting 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 Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Place: Mumbai
Dated: 28th May, 2018

Rupen K. Bhatt
Partner
(Membership Number: 46930)

Annexure "B" to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) In respect of its fixed assets (Property, Plants and equipment):

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The major portion of the fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification, which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed/ Possession Certificate/ Lease agreement/ Encumbrance Certificate provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date, except the following:

(Rs. In Million)

Particulars of the land and building	Gross Block as at the Balance Sheet date	Net Block as at the Balance Sheet date	Remarks
Freehold land located at Urse Taluka Maval Dist-Pune. PIN code-410506	19.3	19.3	As per the information given to us, The title deed of the land is in the name of erstwhile AT & T Finolex Fibre Optic Cables Limited. The Company is in the process of updating the title deeds in the name of the Company.

In respect of immovable properties of land that have been taken on lease and disclosed as property, plant and equipment in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreements.

(ii) As explained to us, the inventories lying with the Company were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification. For inventory lying with third parties at the year-end, written confirmations have been obtained.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of Clause (iii) of paragraph 3 of the Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits during the year. Therefore, the provisions of the clause (v) of paragraph 3 of the Order is not applicable to the Company.

(vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of its products. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (cost records and audit) Rules, 2014 and amended Companies (cost records and audit) Amendment Rules, 2016 as prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Excise duty, Service Tax, Customs Duty, Value Added Tax, Goods and Services Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, Value Added Tax, Goods and Services Tax, Cess and other material statutory dues in arrears as at 31 March, 2018, for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Sales Tax, Entry Tax, Value added tax and Excise duty which have not been deposited as on 31 March, 2018 on account of disputes are given below:

(Rs. In Million)

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount Unpaid (Rs. In Million)
The Central Sales Tax Act and Local Sales Tax Act	Sales Tax	Sales Tax - Tribunal	1992-1993, 2003-2004 and 2012-2013 to 2014-2015	14.0
		Commissioner (Appeal)	2013-2014 to 2014-2015	3.3
		Joint Commissioner Sales Tax (Appeal)	1993-1994,2006-2007, and 2010-2011 to 2013-2014	42.4
		Joint Commissioner Commercial of Tax (Appeal)	2008-2009 to 2013-2014	24.6
		Deputy Commissioner of Commercial Tax	2007-2008 to 2010-2011	282.7
		Deputy Commissioner	2011-2012 to 2015-2016	13.4
		Assistant Commissioner Commercial of Tax (Appeal)	2002-2003, 2004-2005, 2006-2010 and 2011-2012 to 2014-2015	790.2
Goa Entry Tax Act, 2000	Entry Tax	Assistant Commissioner Commercial of Tax (Appeal)	2005-2006 to 2006-2007, 2008-2009 to 2009-2010 and 2011-2012 to 2012-2013	123.90
		High Court	1992-1993 to 1995-1996	126.9
Income-Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	2011-2012 and 2013-2014	7.3
		Commissioner of Income Tax (Appeal)	2012-2013	12.3
Customs Act, 1962	Customs	Commissioner	1999-2000	13.4
Central Excise Act, 1944	Excise Duty	Customs, Excise and Service Tax Appellate Tribunal	2005-2006 to 2015-2016	290.3
		Commissioner (Appeal)	2012-2013 to 2016-2017	8.3
		Additional Commissioner	2004-2005 to 2007-2008, 2009-2010 and 2012-2013 to 2015-2016	78.5
		Assistant Commissioner Commercial Tax	2015-2016 to 2017-2018	0.5

(viii) The Company has not taken any loans or borrowings from banks, financial institutions and government or has not issued any debentures. Accordingly, the provisions of Clause (viii) of paragraph 3 of the Order are not applicable to the Company.

(ix) The Company has not raised monies by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of paragraph 3 of the Order is not applicable to the Company.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of paragraph 3 of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for transactions with the related parties, except in respect of Rs 15.8 million paid to Sakal Media Private Limited (Company in which a director of the Company is interested) towards advertisement fees wherein the transaction was ratified at a subsequent audit committee and Board meeting.

In our opinion and according to the information and explanations given to us, the Company has disclosed the details of related party transactions in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of paragraph 3 of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its subsidiaries or associate companies or persons connected with them and hence provisions of section 192 of the Act are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Place: Mumbai
Dated: 28th May, 2018

Rupen K. Bhatt
Partner
(Membership Number: 46930)

Standalone Balance Sheet

as at 31st March, 2018

(Rs. In Million)

	Note No.	As at 31st March, 2018	As at 31st March, 2017
I ASSETS			
Non Current Assets			
(a) Property, Plant and Equipment	3	**4,080.0**	4,136.7
(b) Capital Work-in-Progress		**52.0**	81.5
(c) Intangible Assets	4	**9.9**	12.0
(d) Financial Assets			
i) Investment in Associate and Joint Ventures	5A	**2,049.1**	2,074.7
ii) Other Investments	5B	**3,089.3**	2,179.0
iii) Loans	6	**37.5**	42.0
iv) Others	6A	**6.6**	257.6
(e) Non-Current Tax Assets (Net)		**122.4**	130.4
(f) Other Non-Current Assets	7	**214.9**	293.2
		9,661.7	**9,207.1**
Current Assets			
(a) Inventories	8	**4,990.6**	4,620.1
(b) Financial Assets			
i) Investments	5C	**7,009.8**	4,705.0
ii) Trade Receivables	9	**1,749.2**	1,243.9
iii) Cash and Cash Equivalents	10A	**768.7**	324.0
iv) Other bank balances	10B	**267.4**	1,434.4
v) Others	6A	**23.4**	68.4
(c) Other Current Assets	11	**289.7**	158.6
		15,098.8	**12,554.4**
TOTAL ASSETS		**24,760.5**	**21,761.5**
II EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	12	**305.9**	305.9
(b) Other Equity	13	**21,633.1**	18,468.5
		21,939.0	**18,774.4**
LIABILITIES			
Non Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	14	**5.5**	8.3
(b) Provisions	15	**69.7**	60.1
(c) Deferred Tax Liabilities (Net)	16 B	**349.3**	182.7
(d) Other Non-current Liabilities	17	**-**	1.9
		424.5	**253.0**
Current Liabilities			
(a) Financial Liabilities			
i) Trade payables	18	**1,774.5**	1,882.9
ii) Other Financial Liabilities	19	**30.3**	31.1
(b) Other Current Liabilities	20	**207.5**	343.7
(c) Provisions	15	**304.7**	360.0
(d) Current tax Liabilities (Net)		**80.0**	116.4
		2,397.0	**2,734.1**
		2,821.5	**2,987.1**
TOTAL EQUITY AND LIABILITIES		**24,760.5**	**21,761.5**

See accompanying notes to the Standalone Financial Statements

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 46930

Mumbai : 28th May, 2018

For **and behalf of Board of Directors of Finolex Cables Limited**

D. K. Chhabria
Executive Chairman

P. G. Pawar

Mahesh Viswanathan
Dy. Managing Director & Chief Financial Officer

Shishir Lall

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

Namita Thapar

Pune : 28th May, 2018

Standalone Statement of Profit and Loss

for the year ended 31st March, 2018

(Rs. In Million)

		Note No.	Year Ended 31st March, 2018	Year Ended 31st March, 2017
I	Revenue from operations	21	**28,842.3**	26,707.5
II	Other income	22	**1,274.0**	1,002.1
III	**Total income**		**30,116.3**	**27,709.6**
IV	**EXPENSES**			
	(a) Cost of material consumed	23	**20,299.8**	18,119.6
	(b) Purchase of traded goods		**361.1**	332.3
	(c) Changes in inventories of finished goods, stock in trade and work-in-progress	24	**(319.1)**	(1,183.3)
	(d) Excise duty	21	**691.1**	2,259.1
	(e) Employee benefits expenses	25	**1,354.6**	1,191.9
	(f) Finance Costs	26	**14.4**	42.9
	(g) Depreciation and amortization expenses	27	**438.0**	480.3
	(h) Other Expenses	28	**2,231.6**	2,273.6
	Total Expenses (IV)		**25,071.5**	**23,516.4**
V	**Profit before Tax**		**5,044.8**	**4,193.2**
VI	**Tax Expenses**			
	(a) Current Tax	16A	**1,316.6**	1,080.7
	(b) Deferred tax	16B	**146.2**	(46.3)
	Total Tax (VI)		**1,462.8**	**1,034.4**
VII	**Profit for the year**		**3,582.0**	**3,158.8**
VIII	**Other comprehensive income / (expense)**			
	A. Items that will not be reclassified to profit or loss			
	(i) Re-measurement gain/ (loss) on defined benefit plans		**(2.1)**	(18.3)
	(ii) Gain/(loss) on FVTOCI on equity instruments		**157.2**	41.9
	(iii) Income tax relating to these items		**(20.4)**	14.1
	B. Items that will be reclassifed to profit or loss		**-**	-
	Total Other comprehensive income for the year		**134.7**	**37.7**
IX	**Total comprehensive income for the year**		**3,716.7**	**3,196.5**
X	**Earnings per equity share of face value of Rs. 2 each**			
	(i) Basic	34	**23.4**	20.7
	(ii) Diluted	34	**23.4**	20.7

See accompanying notes to the Standalone Financial Statements

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 46930

Mumbai : 28th May, 2018

For **and behalf of Board of Directors of Finolex Cables Limited**

D. K. Chhabria
Executive Chairman

P. G. Pawar

Mahesh Viswanathan
Dy. Managing Director & Chief Financial Officer

Shishir Lall

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

Namita Thapar

Pune : 28th May, 2018

Standalone Statement of Cash Flows

for the year ended 31st March, 2018

(Rs. In Million)

Particulars	Year Ended 31st March, 2018	Year Ended 31st March, 2017
A. Cash flows from operating activities		
Profit for the year	**5,044.8**	**4,193.2**
Adjustments for :		
Finance Costs	**14.4**	42.9
Interest Income	**(86.1)**	(143.0)
Dividend income	**(467.3)**	(406.4)
Net gain/(loss) on fair value changes of investments classified at FVTPL	**(472.6)**	(341.6)
Allowance for Doubtful Debts and Advances (Net)	**19.7**	2.5
Warranty Charges	**0.4**	2.0
Depreciation and Amortisation Expenses	**438.0**	480.3
Provision made/ Written back (net)	**(54.8)**	254.5
Impairment of Financial assets -Investment in Joint Venture	**184.8**	245.0
Loss/(gain) on sale of property,plant and equipment	**3.0**	(0.8)
	(420.5)	**135.4**
	4,624.3	**4,328.6**
Working Capital Adjustments		
Adjustments for (increase) / decrease in operating assets:		
Trade Receivables	**(525.0)**	12.8
Inventories	**(370.5)**	(1,327.2)
Other Current Assets	**(131.1)**	501.7
Other Financial Assets (Current and Non-Current)	**245.0**	(250.5)
Other Non Current Assets	**95.0**	(60.2)
Security deposit	**4.5**	(6.0)
	(682.1)	**(1,129.4)**
	3,942.2	**3,199.2**
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	(108.4)	179.3
Long term / Short Term Provisions	8.7	31.5
Other Current Liabilities	(136.2)	4.3
Other Financial Liabilities (Current and Non - Current)	(2.6)	1.2
Other Non Current Liabilities	(1.9)	(2.1)
	(240.4)	**214.2**
Cash generated from operations	**3,701.8**	3,413.4
Income Tax paid	**(1,345.0)**	(1,285.8)
Net cash generated from operating activities	**2,356.8**	**2,127.6**
B. Cash Flow from Investing Activities		
Dividend received	**467.3**	406.4
Other bank balances	**1,167.0**	541.7
Interest received - Others	**137.1**	142.7
Purchase of Investments (Mutual Funds)	**(26,210.1)**	(20,364.1)
Proceed from sale of investments	**23,622.7**	18,558.1
Purchase of investment in joint ventures	**(159.2)**	(196.0)
Purchase of PPE	**(369.4)**	(352.5)
Proceed from sale of Fixed Assets	**-**	2.6
Net cash (used in) investing activities	**(1,344.6)**	**(1,261.1)**

Standalone Statement of Cash Flows (Cont.)

for the year ended 31st March, 2018

(Rs. In Million)

Particulars	Year Ended 31st March, 2018	Year Ended 31st March, 2017
C. Cash Flow from Financing Activities		
Other long term borrowings repaid	**(4.0)**	(255.1)
Dividends paid	**(455.7)**	(378.6)
Dividend tax paid	**(93.4)**	(77.2)
Interest and Other Borrowing Costs	**(14.4)**	(42.9)
Net cash used in financing activities	**(567.5)**	**(753.8)**
Net Increase /(Decrease) in cash and cash equivalents	**444.7**	**112.7**
Cash and Cash Equivalents as at 1st April (Opening Balance)	**324.0**	**211.3**
Cash and Cash Equivalents as at 31st March (Closing Balance)	**768.7**	**324.0**

Note:

1. Cash and Cash Equivalents include:

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
(a) Cash on hand	**0.1**	0.2
(b) Balances with banks		
In current accounts	**768.6**	323.8
Cash and Cash Equivalents	**768.7**	**324.0**

2. Effective April, 2017 the Company adopted the amendment to IND AS 7- Statement of Cash Flows which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financial activities including both changes arising from cash flows and non-cash charges, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any material impact on the financial statements.

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 46930

Mumbai : 28th May, 2018

For **and behalf of Board of Directors of Finolex Cables Limited**

D. K. Chhabria
Executive Chairman

P. G. Pawar

Mahesh Viswanathan
Dy. Managing Director & Chief Financial Officer

Shishir Lall

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

Namita Thapar

Pune : 28th May, 2018

Standalone Statement of Changes in Equity

for the year ended 31st March, 2018

A) Equity Share Capital

(Rs. In Million)

	No. of shares	Amount
Balance as at 1st April, 2016	**152,939,345**	**305.9**
Issued during the year	-	-
Balance as at 31st March, 2017	**152,939,345**	**305.9**
Issued during the year	-	-
Balance as at 31st March, 2018	**152,939,345**	**305.9**

B) Other Equity

(Rs. In Million)

Description	Reserve and surplus					Item of Other Comprehensive Income	Total
	Securities Premium Reserve	Capital Reserve	General Reserve	Share buyback Reserve	Retained Earnings	Equity Instrument through Other Comprehensive Income	
Balance as at 1st April, 2016	**1,091.0**	**84.1**	**5,523.6**	**55.2**	**8,113.0**	**864.7**	**15,731.6**
Profit for the year	-	-	-	-	3,158.8	-	3,158.8
Other Comprehensive Income/ (Expense) for the year (Net of Tax)	-	-	-	-	(18.3)	56.0	37.7
Total comprehensive income for the year	-	-	-	-	3,140.5	56.0	3,196.5
Dividend Paid	-	-	-	-	(382.4)	-	(382.4)
Dividend Distribution Tax	-	-	-	-	(77.2)	-	(77.2)
Balance as at 31st March, 2017	**1,091.0**	**84.1**	**5,523.6**	**55.2**	**10,793.9**	**920.7**	**18,468.5**
Balance as at 1st April, 2017	1,091.0	84.1	5,523.6	55.2	10,793.9	920.7	18,468.5
Profit for the year	-	-	-	-	3,582.0	-	3,582.0
Other Comprehensive Income/ (Expense) for the year (Net of Tax)	-	-	-	-	(2.1)	136.8	134.7
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**3,579.9**	**136.8**	**3,716.7**
Dividend Paid	-	-	-	-	(458.7)	-	(458.7)
Dividend Distribution Tax	-	-	-	-	(93.4)	-	(93.4)
Balance as at 31st March, 2018	**1,091.0**	**84.1**	**5,523.6**	**55.2**	**13,821.7**	**1,057.5**	**21,633.1**

See accompanying notes to the Standalone Financial Statements

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 46930

Mumbai : 28th May, 2018

For **and behalf of Board of Directors of Finolex Cables Limited**

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

Namita Thapar

Pune : 28th May, 2018

Notes to the Standalone Financial Statements

for the year ended 31st March, 2018

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 ended 31st March, 2018 were approved for issue by the Board of Directors in accordance with their resolution dated 28th May, 2018.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation & presentation and Statement of Compliance

These standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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.

Effective 1st April, 2016, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101. First time adoption of Indian Accounting Standards, with 1st April, 2015 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

The comparative standalone financial statements of the Company, for the year ended 31st March, 2017 prepared in accordance with Ind AS were audited by M/S B. K. Khare & Co.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

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

2.2 Use of estimates and judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, useful lives of property, plant and equipment, provisions and contingent liabilities and fair value measurement of financial instruments. Key source of estimation of uncertainty in respect of employee benefits and measurement of deferred tax assets have been discussed in their respective policies.

2.3 Critical accounting estimates

i) Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The policy for the same has been explained under Note 2.11.

ii) Impairment of Investments

The Company reviews its carrying value of investments in associates and joint ventures carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Notes to the Standalone Financial Statements
for the year ended 31st March, 2018

iii) Provisions

Provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. The policy for the same has been explained under Note 2.16.

iv) Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The policy has been further explained under note 2.18.

2.4 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.

All other assets are classified as non-current.

A liability is treated as current when it is:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- 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.

2.5 Revenue recognition

Revenue is recognized 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 collected from customer. 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.

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have transferred 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

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividends

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

2.6 Foreign Currencies

The Functional Currency of the company is in the Indian rupee. Transactions in foreign currencies are recorded at

Notes to the Standalone Financial Statements

for the year ended 31st March, 2018

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.

Non –Monetary assets and liabilities that all are measured in terms of historical cost in foreign currencies are not retranslated.

2.7 Government Grants

Government grants are recognized on reasonable assurance that the grant will be received and all attached conditions will be complied with. Grant relating 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.

Grants of non-monetary assets 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.

2.8 Employee Benefits

2.8.1 Defined contribution plans

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

2.8.2 Defined benefits plans

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans. A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

2.8.3 Superannuation and ESIC:

Superannuation fund and employees' state insurance scheme (ESI), which are defined contribution schemes, are charged to the Statement of Profit and Loss on accrual basis. The Company has no further obligations for future superannuation fund benefits other than its annual contributions.

2.8.4 Compensated absences:

The Company provides for the compensated absences subject to Company's certain rules.The employees are entitled to accumulate leave subject to certain limits, for future encashment or availment. The liability is provided based on the number of days of unveiled leave at each Balance Sheet date on the basis of an independent actuarial valuation using the Projected Unit Credit method.The liability which is not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised based on actuarial valuation as at the Balance Sheet date. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss in the period in which they occur.

Notes to the Standalone Financial Statements
for the year ended 31st March, 2018

2.9 Leases:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

i. Finance lease

Where the Company, as a lesser, leases assets under finance lease, such amounts are recognized as receivables at an amount equal to the net investment in the lease and the finance income is based on constant rate of return on the outstanding net investment. Assets taken on finance lease are initially recognized as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance costs and reduction of outstanding liability. Finance costs are recognized as an expense in the statement of profit or loss over the period of lease, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with Company's general policy on borrowing costs.

ii. Operating lease

Lease arrangements under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease rental under operating lease are recognized in the Statement of Profit and Loss on a straight line basis over the lease term.

2.10 Income Taxes

Current 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). 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 Taxes

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

For operations carried out under tax holiday period (80IA benefits of Income Tax Act, 1961), deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

2.11 Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.Cost includes purchase price and any directly attributable cost of bringing the asset to its working condition for its intendeduse and for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Depreciationcommences

Notes to the Standalone Financial Statements
for the year ended 31st March, 2018

when the assets are ready for their intended use.Freehold land and Assets held for sale are not depreciated.

Depreciation is provided for property, plant and equipment so as to expense the cost less residual value over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual value are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

The estimated useful lives in respect of Property, plant and equipment are mentioned below:

Asset Class	Useful Life Adopted (Years)	Useful Life as per Schedule –II (Years)
Plant & Machinery	10 to 25*	15
Solar Plant	25	NA
Buildings-Factory	30	30
Buildings-Others	60	60
Furniture &Fittings	10	10
Office Equipments	5	5
Computers & Peripherals	3 to 6	3 to 6
Vehicles	8	8
Dies &Moulds	6*	8

*As evaluated by internal technical personnel

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.

2.12 Intangible Assets

Intangible assets acquired separately 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.

The amortization policy applied to the Company's intangible assets to the extent of depreciable amount is, as follows:

Particular	Amortisation
Computer Software	Over a period of 5 years

2.13 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.

2.14 Assets Held For Sale

Non-current assets held for sale are measured at the lower of their carrying value and fair value of the assets less costs to sale. Assets and liabilities classified as held for sale are presented separately in the balance sheet. Property, plant and equipment once classified as held for sale are not depreciated/ amortised.

2.15 Inventories

Inventories are valued at the lower of cost and net realisable value.Cost of inventories is determined on weighted average. Cost for this purpose includes cost of direct materials, direct labour, appropriate share of overheads. Net realisable value represents the estimated selling price in the ordinary course of business less all estimated costs of completion and estimated costs necessary to make the sale.

Obsolete, defective, unserviceable and slow / non-moving stocks are duly provided for and valued at net realisable value.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2018

2.16 Provisions

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.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

2.16.1 Warranty Provisions

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the Company's best estimate of the expenditure required to settle the Company's obligation.

2.17 Financial Assets and Financial Liabilities

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate,on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

2.18 Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.18.1 Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.18.2 Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

2.18.3 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2018

2.18.4 Investment in Jointly Ventures and Associates

Investment in jointly ventures and associates are measured at cost as per Ind AS 27 - Separate Financial Statements.

2.18.5 Impairment of financial assets (other than financial assets at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes life time expected losses for all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

2.19 Financial liabilities and equity instruments

2.19.1 Classification as debt or equity

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.19.2 Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognized in statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.19.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

2.20 Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately.

2.21 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.

2.22 Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

2.23 Recent accounting pronouncements

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

Notes to the Standalone Financial Statements

for the year ended 31st March, 2018

2.23.1 Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was issued on 28 March 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after 1st April, 2018. The Company plans to adopt the new standard on the required effective date. The new standard is not expected to materially affect the timing of revenue and impact financial statements of the Company.

2.23.2 Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Consideration

The Appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration.

Entities may apply the Appendix requirements on a fully retrospective basis. Alternatively, an entity may apply these requirements prospectively to all assets, expenses and income in its scope that are initially recognised on or after:

i. The beginning of the reporting period in which the entity first applies the Appendix, or

ii. The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the Appendix.

The Appendix is effective for annual periods beginning on or after 1st April, 2018. However, since the Company's current practice is in line with the Interpretation, the Company does not expect any effect on its financial statements.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2018

3. PROPERTY,PLANT AND EQUIPMENT

(Rs. In Million)

	Land	Leasehold Land	Buildings @	Plant and Equipment	Furniture & Fittings	Office Equipment	Computers, Peripherals	Vehicles	Total
Cost									
Balance as at 1st April, 2017	138.8	153.0	1,674.7	3,070.5	22.9	21.5	23.5	48.4	5,153.3
Additions	160.8	-	5.0	202.0	0.1	7.9	3.1	3.3	382.2
(Disposals)	-	-	-	(52.5)	-	-	(1.5)	(1.3)	(55.3)
Balance as at 31st March, 2018	**299.6**	**153.0**	**1,679.7**	**3,220.0**	**23.0**	**29.4**	**25.1**	**50.4**	**5,480.2**
Accumulated Depreciation & Impairment									
Balance as at 1st April, 2017	-	3.3	137.6	849.1	4.9	11.3	0.7	9.7	1,016.6
Depreciation expenses for the year		1.7	67.2	346.5	3.0	3.8	6.5	7.2	435.9
(Disposals)/ Adjustment	-	-	-	(50.1)	-	-	(1.3)	(0.9)	(52.3)
Balance as at 31st March, 2018	-	5.0	204.8	1,145.5	7.9	15.1	5.9	16.0	1,400.2
Net Carrying Amount as at 31st March, 2018	**299.6**	**148.0**	**1,474.9**	**2,074.5**	**15.1**	**14.3**	**19.2**	**34.4**	**4,080.0**

(Rs. In Million)

	Land	Leasehold Land	Buildings @	Plant and Equipment	Furniture & Fittings	Office Equipment	Computers, Peripherals	Vehicles	Total
Cost									
Balance as at 1st April, 2016	138.8	153.0	1,673.4	2,782.6	22.1	14.1	29.6	49.1	4,862.7
Additions/ Adjustment	-	-	1.3	294.4	0.8	7.4	(5.3)	-	298.6
(Disposals)	-	-	-	(6.5)	-	-	(0.8)	(0.7)	(8.0)
Balance as at 31st March, 2017	**138.8**	**153.0**	**1,674.7**	**3,070.5**	**22.9**	**21.5**	**23.5**	**48.4**	**5,153.3**
Accumulated Depreciation & Impairment									
Balance as at 1st April, 2016	-	1.7	69.0	520.5	1.1	3.5	0.1	2.4	598.3
Depreciation expenses for the year	-	1.7	68.6	387.6	3.8	3.1	6.7	7.3	478.8
(Disposals)/ Adjustment	-	(0.1)	-	(59.0)	-	4.7	(6.1)	-	(60.5)
Balance as at 31st March, 2017	-	3.3	137.6	849.1	4.9	11.3	0.7	9.7	1,016.6
Net Carrying Amount as at 31st March, 2017	**138.8**	**149.7**	**1,537.1**	**2,221.4**	**18.0**	**10.2**	**22.8**	**38.7**	**4,136.7**

Note: @ Buildings include Rs * million being cost of ordinary shares in co-operative housing societies.

* Denotes amount less than Rs. 50,000

4. INTANGIBLE ASSETS

(Rs. In Million)

	Computer Software $
Cost	
Balance as at 1st April, 2017	15.1
Additions	-
(Disposals)	-
Balance as at 31st March, 2018	15.1
Accumulated Amortisation & Impairment	
Balance as at 1st April, 2017	3.1
Amortisation expenses for the year	2.1
(Disposals)	-
Balance as at 31st March, 2018	5.2
Net Carrying Amount as at 31st March , 2018	**9.9**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2018

(Rs. In Million)

	Computer Software $
Cost	
Balance as at 1st April, 2016	4.7
Additions	10.4
(Disposals)	-
Balance as at 31st March, 2017	**15.1**
Accumulated Amortisation & Impairment	
Balance as at 1st April, 2016	0.2
Amortisation expenses for the year	1.5
(Disposals)	1.4
Balance as at 31st March, 2017	3.1
Net Carrying Amount as at 31st March, 2017	**12.0**

Note: $ Other than internally generated intangible assets.

5. INVESTMENTS

Non Current Investment

(Rs. In Million)

		As at 31st March, 2018	As at 31st March, 2017
5 A) Investment in Associates & Joint Ventures measured at cost			
	(i) Equity shares Quoted		
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
	(ii) Equity shares Unquoted		-
133,770,000	Equity Shares of Rs.10 each fully paid in Finolex J-Power Systems Private Limited (Previous Year 117,845,000)	**1,337.7**	1,178.5
	Less: Provision for Impairment in value of Investments	**(824.6)**	(639.8)
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
		2,049.1	**2,074.7**
5 B) Other Investments			
a) Investments at fair value through Other Comprehensive Income (FVTOCI) (fully paid)			
	i) Equity shares- Quoted		
-	Equity Shares of Rs.5 each fully paid in Apar Industries Limited (Previous Year 10)	**-**	*
61,000	Equity Shares of Rs. 2 each fully paid in Bharat Forge Limited (Previous Year 30,500)	**42.7**	31.7
358,500	Equity Shares of Rs. 10 each fully paid in IndusInd Bank Limited (Previous Year 358,500)	**643.7**	505.3
168,750	Equity Shares of Rs.5 each fully paid in BF Utilities Limited (Previous Year 168,750)	**64.8**	74.5
168,750	Equity Shares of Rs.5 each fully paid in BF Investment Limited (Previous Year 168,750)	**47.3**	27.9
-	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)	*	*

Notes to the Standalone Financial Statements

for the year ended 31st March, 2018

Non Current Investment (Rs. In Million)

		As at 31st March, 2018	As at 31st March, 2017
-	Equity Shares of Re. 1 each fully paid in Dish TV India Limited (Previous Year 57)	-	*
25,096	Equity Shares of Rs. 2 each fully paid in ICICI Bank Limited (Previous Year 22,105)	**7.0**	6.1
200,000	Equity Shares of Rs. 5 each fully paid in Kirloskar Ferrous Limited (Previous Year 200,000)	**16.9**	19.3
100	Equity Shares of Rs. 2 each fully paid in Nicco Corporation (Previous Year 100)	*	*
-	Equity Shares of Rs.2 each fully paid in KEC International Limited (Previous Year 525)	-	0.1
-	Equity Shares of Rs. 2 each fully paid in Sterlite Technologies Limited (Previous Year 500)	-	0.1
-	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)	*	*
-	Equity Shares of Re. 1 each fully paid in Usha Martin Limited (Previous Year 500)	-	*
-	Equity Shares of Rs. 10 each fully paid in Vindhya Telelinks Limited (Previous Year 100)	-	*
-	Equity Shares of Re. 1 each fully paid in ZEE Entertainment Enterprises Limited (Previous Year 218)	-	0.1
-	6% Cumulative Redeemable Non-convertible Preference Shares of Re. 1 each fully paid in ZEE Entertainment Enterprises Limited (Previous Year 4,578)	-	*
-	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)	*	*
	Total Equity shares - Quoted (i)	**822.4**	**665.2**
	ii) Equity shares Unquoted		
1,000,000	Equity Shares of Rs. 10 each fully paid in Finolex Plasson Industries Pvt Limited (Previous Year 1,000,000)	**112.5**	112.5
1,000	Equity shares of Rs.10 each fully paid up in the Saraswat Co-op Bank Ltd. (Previous year 1,000)	*	*
967,700	Equity Shares of Rs. 10 each fully paid in SICOM India Limited (Previous Year 967,700)	**210.2**	210.2
5,373,938	Equity Shares of Rs.10 each fully paid in Finolex Infrastructure Limited (Previous Year 5,373,938)	**85.8**	85.8
	Total Equity shares -Unquoted (ii)	**408.5**	**408.5**
	Total FVTOCI Investments (i+ii)	**1,230.9**	**1,073.7**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2018

Non Current Investment

(Rs. In Million)

		As at 31st March, 2018	As at 31st March, 2017
b)	**Investments at fair value through Profit & Loss (FVTPL)**		
	Investment in Fixed Maturity Plan - Unquoted		
7,500,000	Units of Rs 10 each of Franklin India Fixed Maturity Plan-Series 1 Plan A - Growth (Previous Year 7,500,000)	**79.8**	75.1
10,000,000	Units of Rs 10 each of Franklin India Fixed Maturity Plan-Series 2 Plan A - Growth (Previous Year Nil)	**101.4**	-
10,000,000	Units of Rs 10 each of Birla Sun Life Fixed Term Plan-Series OF (1151 Days)-Growth-Regular Plan (Previous Year 10,000,000)	**107.7**	100.5
10,000,000	Units of Rs 10 each of Aditya Birla Sun Life Fixed Term Plan-Series OX (1234 Days)-Growth-Regular Plan (Previous Year Nil)	**101.7**	-
2,500,000	Units of Rs 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PB (1190 Days)-Growth-Regular Plan (Previous Year Nil)	**25.4**	-
2,500,000	Units of Rs 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PD (1177 Days)-Growth-Regular Plan (Previous Year Nil)	**25.3**	-
2,500,000	Units of Rs 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PE (1159 Days)-Growth-Regular Plan (Previous Year Nil)	**25.3**	-
2,500,000	Units of Rs 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PH (1143 Days)-Growth-Regular Plan (Previous Year Nil)	**25.2**	-
10,000,000	Units of Rs 10 each of ICICI Prudential Fixed Maturity Plan-Series 80 - 1245 Days Plan L Cumulative (Previous Year 10,000,000)	**107.5**	100.8
2,500,000	Units of Rs 10 each of ICICI Prudential Fixed Maturity Plan-Series 82 - 1185 Days Plan A Cumulative (Previous Year Nil)	**25.2**	-
5,000,000	Units of Rs. 10 each of ICICI Fixed maturity plan Series 82-1236 days-plan A Cumulative (Previous Year Nil)	**50.9**	-
-	Units of Rs. 100 each of ICICI Prudential Flexible Income- Growth (Previous Year 321,193)	**-**	100.0
12,500,000	Units of Rs 10 each of IDFC Fixed Term Plan Series 131 Regular Plan - Growth (Previous Year 12,500,000)	**133.5**	125.2
10,000,000	Units of Rs 10 each of Kotak FMP Series 200 Growth (Regular Plan) (Previous Year 10,000,000)	**107.0**	100.6
10,000,000	Units of Rs 10 each of Reliance Fixed Horizon Fund - XXXIII- Series 3-Growth Plan (Previous Year 10,000,000)	**107.4**	100.8
10,000,000	Units of Rs 10 each of Reliance Fixed Horizon Fund - XXXIII- Series 4-Growth Plan (Previous Year 10,000,000)	**107.3**	100.6
10,000,000	Units of Rs 10 each of Reliance Fixed Horizon Fund - XXXVI- Series 7-Growth Plan (Previous Year Nil)	**101.6**	-
2,500,000	Units of Rs 10 each of Reliance Fixed Horizon Fund - XXXV- Series 14 (1214 Days)- Growth Plan (Previous Year Nil)	**25.4**	-
2,500,000	Units of Rs 10 each of Reliance Fixed Horizon Fund - XXXV- Series 15 (1207 Days)- Growth Plan (Previous Year Nil)	**25.4**	-
10,000,000	Units of Rs 10 each of SBI Debt Fund Series - B -49 (1170 Days) - Regular Growth (Previous Year 10,000,000)	**107.0**	100.7
5,000,000	Units of Rs 10 each of SBI Debt Fund Series - C -7 (1190 Days) - Regular Growth (Previous Year Nil)	**50.8**	-

Notes to the Standalone Financial Statements
for the year ended 31st March, 2018

Non Current Investment (Rs. In Million)

		As at 31st March, 2018	As at 31st March, 2017
2,500,000	Units of Rs 10 each of SBI Debt Fund Series - C - 9 (1150 Days) - Regular Growth (Previous Year Nil)	25.3	-
5,000,000	Units of Rs 10 each of L&T FMP Series 16 - Plan A (1233 Days) - Growth (Previous Year Nil)	50.9	-
5,000,000	Units of Rs 10 each of UTI Fixed Term Income Fund Series - XXVII - IV (1204 Days) - Growth Plan (Previous Year Nil)	50.8	-
10,000,000	Units of Rs 10 each of UTI Fixed Term Income Fund Series - XXVI - V (1160 Days) - Growth Plan (Previous Year 10,000,000)	107.4	100.3
2,500,000	Units of Rs 10 each of UTI Fixed Term Income Fund Series - XXVI - IX (1161 Days) - Growth Plan (Previous Year Nil)	25.2	-
2,500,000	Units of Rs 10 each of UTI Fixed Term Income Fund Series - XXVIIII-IV (1190 Days) - Growth Plan (Previous Year Nil)	25.4	-
2,500,000	Units of Rs 10 each of UTI Fixed Term Income Fund Series - XXVIII (1171 Days) - Growth Plan (Previous Year Nil)	25.4	-
10,000,000	Units of Rs 10 each of DSP Black Rock FMP-Series 204 (37M)-Regular Plan-Growth (Previous Year 10,000,000)	107.2	100.7
	Total Investment at FVTPL	**1,858.4**	**1,105.3**
	Total Other Investment (a+b)	**3,089.3**	**2,179.0**
	Aggregate carrying value of Quoted Investment	**2,340.9**	**2,183.7**
	Aggregate market value of Quoted Investment	**26,999.8**	**23,874.4**
	Aggregate value of Unquoted Investment	**2,797.5**	**2,070.0**
	Aggregate value of impairment in value of assets	**824.6**	**639.8**
5 C) Current Investments			
	Investments at fair value through profit or loss (FVTPL)		
	Investments in Mutual Funds /Fixed Maturity Plan (FMP) - Unquoted		
254,076	Units of Rs 10 each of Axis Liquid Fund-Growth (Previous Year 205,189)	488.0	368.9
27,532	Units of Rs 1,000 each of Axis Treasury Advantage Fund - Growth (Previous Year 27,532)	53.3	50.0
1,551,663	Units of Rs 100 each of Birla Sun Life Cash Plus-Growth-Regular Plan (Previous Year 1,098,892)	431.7	286.3
47,609	Units of Rs 1,000 each of SBI Ultra Short Term Debt Fund - Regular Plan - Growth (Previous Year 47,609)	106.7	100.0
8,709	Units of Rs 10 each of SBI Magnum Insta Cash Fund-Liquid Floater-Regular Plan-Growth (Previous Year Nil)	25.1	-
7,463,652	Units of Rs.10 each of Sundaram Money Fund- Regular-Growth (Previous Year Nil)	272.4	-
1,096,193	Units of Rs 10 each of Reliance Monthly Interval Fund -Series II-Growth Plan-Growth Option (Previous Year Nil)	25.2	-
2,500,000	Units of Rs 10 each of Kotak FMP Series 218 - Growth-Regular Plan (Previous Year Nil)	25.2	-
89,917	Units of Rs 1,000 each of L&T Liquid Fund - Regular - Growth (Previous Year 13,495)	213.6	30.0
2,116,169	Units of Rs.10 each of Reliance Quarterly Interval Fund -Series II -Direct Plan - Growth Plan (Previous Year Nil)	50.5	-

Notes to the Standalone Financial Statements

for the year ended 31st March, 2018

Non Current Investment (Rs. In Million)

		As at 31st March, 2018	As at 31st March, 2017
1,669,384	Units of Rs 10 each of IDFC Yearly Series Interval Fund - Regular Plan - Series II -Growth (Previous Year Nil)	**25.2**	-
204,747	Units of Rs 1,000 each of DSP Black Rock Liquidity Fund-Institutional Plan-Growth (Previous Year 182,440)	**506.5**	422.9
128,708	Units of Rs.1,000 each of Franklin India Treasury Management Account- Super Institutional Plan-Growth (Previous Year 139,352)	**333.5**	338.1
2,245,728	Units of Rs 10 each of Franklin India Ultra Short Bond Fund - Super Institutional Plan - Growth (Previous Year 2,245,728)	**54.0**	50.0
113,058	Units of Rs.1,000 each of HDFC Liquid Fund - Growth (Previous Year 140,126)	**385.6**	448.4
2,500,000	Units of Rs.10 each of HDFC FMP 92D February 2018 (1) -Regular- Growth- Series 39 (Previous Year Nil)	**25.2**	-
2,500,000	Units of Rs.10 each of HDFC FMP 92D March 2018 -Regular- Growth- Series 39 (Previous Year Nil)	**25.1**	-
2,135,712	Units of Rs. 100 each of ICICI Prudential Liquid Plan- Growth (Previous Year 991,583)	**547.6**	238.1
321,193	Units of Rs. 100 each of ICICI Prudential Flexible Income- Growth (Previous Year Nil)	**107.1**	-
2,500,000	Units of Rs 10 each of ICICI Prudential Fixed Maturity Plan-Series 82 - 103 Days Plan O Cumulative (Previous Year Nil)	**25.2**	-
183,027	Units of Rs. 1,000 each of IDFC Cash Fund -Growth-Regular Plan (Previous Year 160,001)	**385.0**	315.4
-	Units of Rs.10 each of JM Basic Fund - Growth (Previous Year 179,967)	**-**	5.0
8,269,899	Units of Rs.10 each of JM High Liquidity Fund-Growth (Previous Year 4,862,824)	**391.8**	215.7
72,959	Units of Rs.1,000 each of Kotak Liquid Regular Plan -Growth (Previous Year 53,415)	**256.3**	175.8
1,920,034	Units of Rs 10 each of Kotak Treasury Advantage Fund-Growth (Regular Plan) (Previous Year 1,920,034)	**53.4**	50.0
3,127,737	Units of Rs 10 each of L&T Floating Rate Fund - Growth (Previous Year 3,127,737)	**53.8**	50.0
101,432	Units of Rs.1,000 each of LIC Nomura Liquid Fund-Growth (Previous Year 52,225)	**318.1**	153.5
64,408	Units of Rs.1,000 each of Reliance Liquid Fund-Treasury Plan-Growth Plan - Growth Option (Previous Year 66,747)	**271.9**	264.0
7,718,670	Units of Rs.10 each of Reliance Yearly Interval Fund -Series 1 -Direct Plan - Growth Plan (Previous Year 7,718,670)	**117.1**	109.2
44,592	Units of Rs 1,000 each of Reliance Money Manager Fund - Growth Plan -Growth Option (Previous Year 44,592)	**106.8**	100.0
163,407	Units of Rs.1,000 each of SBI Premier Liquid Fund-Regular Plan-Growth (Previous Year 124,147)	**443.7**	316.0
-	Units of Rs.10 each of Sundaram Infrastructure Advantage Fund- Regular-Dividend (Previous Year 418,264)	**-**	11.6
152,467	Units of Rs.1,000 each of Tata Liquid Fund-Regular Plan-Growth (Previous Year 72,225)	**486.6**	215.9
140,499	Units of Rs.1,000 each of UTI Liquid Cash Plan -Institutional-Growth (Previous Year 146,862)	**398.6**	390.2
	Total Current Investments	**7,009.8**	**4,705.0**

* Denotes amount less than Rs. 50,000

Notes to the Standalone Financial Statements

for the year ended 31st March, 2018

6. LOANS -NON CURRENT

(Unsecured, considered good)

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
(a) Security Deposits	37.5	42.0
	37.5	**42.0**

6A. OTHER FINANCIAL ASSETS

(Unsecured, considered good)

(Rs. In Million)

	Non Current		Current	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
(a) Fixed Deposit	-	247.5	-	-
(b) Fixed Deposit - Margin Money	5.5	3.0	-	-
(c) Interest Receivable on Fixed Deposit	1.1	7.1	23.4	68.4
	6.6	**257.6**	**23.4**	**68.4**

7. OTHER NON-CURRENT ASSETS

(Unsecured, considered good)

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
(a) Capital Advance	39.9	23.2
(b) Balances with Government Authorities		
(i) Service Tax Receivables	-	26.8
(ii) Sales Tax Receivables	133.8	133.0
(iii) Countervailing Duty Receivables	-	34.7
(iv) Excise Duty Receivables	36.0	62.2
(v) Other Receivables	5.2	13.3
	214.9	**293.2**

8. INVENTORIES

(Lower of cost and net realisable value unless stated)

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
(a) Raw materials	1,063.7	1,029.1
(b) Work in progress	1,068.1	1,088.4
(c) Finished goods	2,561.9	2,212.3
(d) Stock in Trade	117.8	128.0
(e) Stores & Spares	146.2	113.7
(f) Scrap	32.9	48.6
Total inventories	**4,990.6**	**4,620.1**
Included above, goods-in-transit:		
Raw materials	184.1	195.6
Total goods-in-transit	**184.1**	**195.6**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2018

9. TRADE RECEIVABLES - (UNSECURED)

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
Considered good	**1,749.2**	1,243.9
Considered doubtful	**52.5**	32.8
Total	**1,801.7**	1,276.7
Less: Allowance for Doubtful Trade Receivables	**52.5**	32.8
	1,749.2	**1,243.9**

Trade Receivables

The average credit period for the Company's receivables is in the range of 30 to 60 days in respect of institutional sales and upto 190 days in case of sales to government owned entities. No interest is charged on trade receivables. Of the trade receivables balance as at 31st March, 2018, 1,386.7 million (31st March, 2017 - 433.4 million) is due from Bharat Sanchar Nigam Ltd, Bharat Broadband Nigam Ltd and Telecommunication Consultants India Ltd which represents Company's large customers. Apart from the above there are no customers which individually represents more than 5% of the total balance of trade receivables.

Expected credit loss

The Company assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. Movement in the expected credit loss allowance:

(Rs. In Million)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Balance at the beginning of the year	**32.8**	30.3
Movement in the expected credit loss allowance on trade receivables	**19.7**	2.5
calculated at lifetime expected credit losses	**-**	-
Balance at the end of the year	**52.5**	**32.8**

Notes to the Standalone Financial Statements
for the year ended 31st March, 2018

10A. CASH AND CASH EQUIVALENTS

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
(a) Balances with banks:		
In Current Accounts	**768.6**	323.8
(b) Cash on hand	**0.1**	0.2
Total Cash and Cash Equivalents	**768.7**	**324.0**

10B. OTHER BANK BALANCES

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
Other Bank Balances		
(a) In Earmarked Accounts		
Unclaimed dividend	**19.9**	16.9
(b) Fixed Deposits with maturity greater than 3 months but less than 12 months	**247.5**	1,417.5
Total other Bank balances	**267.4**	**1,434.4**

11. OTHER CURRENT ASSETS

Unsecured, considered good

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
(a) Goods & Services Tax Receivable	**212.4**	-
(b) Balances with Government authorities	**2.8**	2.8
(c) Other Advance	**74.5**	149.9
(d) Prepaid Expenses	**-**	5.9
	289.7	**158.6**

12. EQUITY SHARE CAPITAL

	As at 31st March, 2018		As at 31st March, 2017	
	Nos.	(Rs. In Million)	Nos.	(Rs. In Million)
I Authorised Share Capital				
235,000,000 (Previous year 235,000,000) Equity shares of Rs. 2/-each	**235,000,000**	**470.0**	235,000,000	470.0
15,000,000 (Previous year 15,000,000) Unclassified shares of Rs. 2/- each	**15,000,000**	**30.0**	15,000,000	30.0
	250,000,000	**500.0**	**250,000,000**	**500.0**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2018

	As at 31st March, 2018		As at 31st March, 2017	
	Nos.	(Rs. In Million)	Nos.	(Rs. In Million)
II Issued, Subscribed and Paid up Share Capital				
Equity shares of Rs. 2 each issued, subscribed and fully paid	**152,939,345**	**305.9**	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, 2018		As at 31st March, 2017	
	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.

On 28th May, 2018, the Board of Directors of the company have proposed a final dividend of Rs. 4 per share in respect of the year ended 31st March, 2018 subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in a cash outflow of Rs. 736.3 Million inclusive of dividend distribution tax of Rs. 124.5 Million.

(c) Details of shareholders holding more than 5% Shares in the company

	As at 31st March, 2018		As at 31st March, 2017	
	No of Shares	% Holding	No of Shares	% Holding
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
Franklin Templeton Mutual Fund	**8,126,527**	**5.3**	8,116,709	5.3
DSP Black Rock Balanced Fund	*	*	8,083,259	5.3

Note: *Holding below 5% as at 31st March, 2018

13. OTHER EQUITY

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
(i) Securities Premium	**1,091.0**	1,091.0
(ii) Capital Reserve	**84.1**	84.1
(iii) General Reserve	**5,523.6**	5,523.6
(iv) Share buy back reserve	**55.2**	55.2
(v) Retained Earnings		
Opening Balance	**10,793.9**	8,113.0
Add: Other Comprehensive Income/(Expenses) arising from Remeasurement of Defined Benefit Obligation (Net of Tax)	**(2.1)**	(18.3)
Profit for the year	**3,582.0**	3,158.8
Less: Payment of Dividend	**(458.7)**	(382.4)
Tax on Dividend	**(93.4)**	(77.2)
Closing Balance	**13,821.7**	**10,793.9**

Notes to the Standalone Financial Statements
for the year ended 31st March, 2018

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
(vi) Equity Instrument through Other Comprehensive Income		
Opening Balance	**920.7**	864.7
Add: Change in Fair Value of Equity Instrument through other Comprehesive	**157.2**	41.9
Add/(Less): Deferred Tax	**(20.4)**	14.1
Closing Balance	**1,057.5**	**920.7**
Total	**21,633.1**	**18,468.5**

14. NON-CURRENT BORROWINGS

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
(a) Deferred Sales Tax Loan	**1.4**	3.8
(b) Finance lease obligation	**4.1**	4.5
	5.5	**8.3**

Repayment Details of Loan

Particulars	**Repayment Schedule**
(a) Finance lease obligation	Repayable over 79 Years, last installment in financial year 2096-97
(b) Deferred Sales Tax Loan	Repayable in installments , last installment being 26 April,2020.

15. PROVISIONS

(Rs. In Million)

	Non Current		Current	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Provision for Employee Benefits				
Gratuity	**-**	-	**16.3**	25.0
Leave Encashment	**69.7**	60.1	**26.7**	18.9
	69.7	**60.1**	**43.0**	**43.9**
Other Provision				
Provision for Warranties	**-**	-	**7.2**	6.8
Provision Other-Duties/Taxes	**-**	-	**254.5**	309.3
	-	**-**	**261.7**	**316.1**
	69.7	**60.1**	**304.7**	**360.0**

15.1. MOVEMENT IN OTHER PROVISIONS

	Warranties	Other duties and taxes
Balance as at 31st March, 2016	**4.8**	**54.8**
Additional provisions recognised (Refer note 1)	2.0	254.5
Reduction arising from payments	-	-
Reduction arising from remeasurements/ settlement without cost	-	-

Notes to the Standalone Financial Statements

for the year ended 31st March, 2018

	Warranties	Other duties and taxes
Balance as at 31st March, 2017	6.8	309.3
Additional provisions recognised	0.4	-
Reduction arising from payments	-	-
Reduction arising from remeasurements/settlement without cost	-	54.8
Balance as at 31st March, 2018	**7.2**	**254.5**

Note:

1. During the previous 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 through 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 had recognised a provision towards compounding charges of Rs. 254.5 million (Current year- Nil).

2. Provision for warranty claims represents estimated warranty liability for the products sold.These estimates are estiblished using historical information on the nature,frequency and average cost of warranty claims and management estimates regarding failure incidence based on corrective actions on product failure.

16A.TAX EXPENSE

1. Income Tax recognised in statement of profit and loss

(Rs. In Million)

	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Current Tax:		
In respect of current year	**1,300.0**	1,204.0
In respect of previous year	**16.6**	(123.3)
	1,316.6	1,080.7
Deferred tax:		
In respect of current year	**140.0**	(40.6)
MAT Credit (recognised) / Utilised	**6.2**	(5.7)
	146.2	(46.3)
Total Income Tax expense recognised during the year	**1,462.8**	**1,034.4**

2. Income Tax recognised in Other Comprehensive Income

(Rs. In Million)

	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Net fair value gain on investments in equity shares at FVTOCI	**(20.4)**	14.1
Total Income Tax expense recognised in other comprehensive income during the year	**(20.4)**	**14.1**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2018

3. The Income Tax expenses for the year can be reconciled to the accounting profit as follows:

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
Profit before tax considered for tax working	**5,044.8**	4,193.2
Income Tax expense calculated at 34.61%	**1,746.0**	1,451.3
Effect of Income that is exempt from Tax	**(161.7)**	(140.7)
Effect of Tax incentives	**(283.8)**	(243.7)
Effect of expenses that are not deductible in determining taxable profit	**83.1**	84.8
Effect of tax on other items	**56.4**	11.7
Adjustments recognised in the current year in relation to the current tax of prior years	**16.6**	(123.3)
MAT Credit (recognised) / written off	**6.2**	(5.7)
Income Tax expenses recognised in statement of profit & loss	**1,462.8**	**1,034.4**

16B.DEFERRED TAX LIABILITIES (NET)

The following is the analysis of Deferred Tax Liability presented in the Balance Sheet:

(Rs. In Million)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Deferred tax assets	**131.6**	167.1
Deferred tax liabilities	**(480.9)**	(349.8)
Total - Net Deferred tax Liabilities	**(349.3)**	**(182.7)**

The tax effect of significant timing differences that has resulted in deferred tax liabilities are given below:

Particulars	For the year ended 31st March, 2018			
	Opening balance	Recognised in Profit and loss	Recognised in OCI	Closing balance
Deferred Tax Assets in relation to				
Employee Benefits	51.3	(25.2)	-	26.1
Financial assets at fair value through OCI	14.1		(14.1)	-
Allowance for Doubtful Debt	10.5	6.8	-	17.3
Minimum Alternate Tax (Credit)	6.2	(6.2)	-	-
Others	85.0	3.2	-	88.2
Total	167.1	(21.4)	(14.1)	131.6
Deferred Tax Liabilities in relation to				
Property, Plant and Equipment	349.8	(24.5)	-	325.3
Financial assets at fair value through OCI	-	-	6.3	6.3
Financial assets at fair value through Profit and loss	-	149.3	-	149.3
Total	349.8	124.8	6.3	480.9
Net Deferred tax Liabilities	(182.7)	(146.2)	(20.4)	(349.3)

Notes to the Standalone Financial Statements
for the year ended 31st March, 2018

Particulars	For the year ended 31st March, 2017			
	Opening balance	Recognised in Profit and loss	Recognised in OCI	Closing balance
Deferred Tax Assets in relation to				
Employee Benefits	25.2	26.1		51.3
Financial assets at fair value through OCI	-	-	14.1	14.1
Allowance for Doubtful Debt	10.5	-	-	10.5
Minimum Alternate Tax (Credit)	0.5	5.7		6.2
Others	64.0	21.0	-	85.0
Total	100.2	52.8	14.1	167.1
Deferred Tax Liabilities in relation to				
Property, Plant and Equipment	343.3	6.5	-	349.8
Total	**343.3**	**6.5**	**-**	**349.8**
Net Deferred tax Liabilities	**(243.1)**	**46.3**	**14.1**	**(182.7)**

17. OTHER NON-CURRENT LIABILITIES

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
Retention Money	-	1.9
	-	**1.9**

18. TRADE PAYABLES

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
Trade payables	**1,429.3**	1,687.5
Accrued Salaries and Benefits	**226.1**	188.9
Trade payable to Micro Small & Medium Enterprises (Refer details below)	**119.1**	6.5
	1,774.5	**1,882.9**

18.1 DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES

(a) Outstanding to suppliers other than Micro and Small Enterprises Rs. 1,655.4 million (previous year Rs.1,876.4 million)

(b) Outstanding to Micro and Small enterprises Rs. 119.1 million (previous year Rs. 6.5 million)

(Rs. In Million)

Particulars	As at 31st March, 2018	As at 31st March, 2017
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
(a) Principal amount due to micro and small enterprise	**119.1**	6.5
(b) Interest due on above	**0.7**	0.8
	119.8	**7.3**
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.		
(a) 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.	**-**	-
(b) The amount of interest accrued and remaining unpaid at the end of each accounting year	**0.7**	0.8

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.This has been relaid upon the auditors.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2018

19. OTHER CURRENT FINANCIAL LIABILITIES

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
(a) Current Maturities of Long term Debts.		-
Deferred Sales Tax Loan	**2.5**	3.7
Finance lease obligation	**0.4**	0.4
(b) Unpaid Dividend	**19.8**	16.8
(c) Other Payables		
Deposits from Distributors	**7.2**	7.7
Other Liabilities	**0.4**	2.5
	30.3	**31.1**

20. OTHER CURRENT LIABILITIES

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
(a) Statutory Dues payable		
(i) Service Tax Payables	**-**	5.5
(ii) Sales Tax Payables	**-**	137.7
(iii) Excise Duty Payables	**-**	96.4
(iv) Goods & Services Tax Payables	**107.8**	-
(v) TDS Payables	**10.6**	8.9
(vi) Employee related dues payable	**9.8**	10.0
(b) Advance from customers	**78.9**	84.7
(c) Other payables	**0.4**	0.5
	207.5	**343.7**

21. REVENUE FROM OPERATIONS:

(Rs. In Million)

	Year Ended 31st March, 2018	Year Ended 31st March, 2017
(a) Sale of Products (including excise duty)	**28,387.3**	26,477.0
(b) Other operating revenue-Sale of scrap	**455.0**	230.5
	28,842.3	**26,707.5**

Note:

(i) Consequent to introduction of Goods and Service Tax (GST) with effect from 1st July, 2017, Central Excise, Value Added Tax (VAT) etc. have been subsumed to GST. In accordance with Ind AS -18 on Revenue and Schedule III of the Companies Act, 2013, unlike Excise Duties, levies like GST, VAT are not part of Revenue.

(Rs. In Million)

	Year Ended 31st March, 2018	Year Ended 31st March, 2017
(ii) Sale of Products includes:		
Sale of Manufactured products	**27,177.1**	23,877.0
Sale of Traded Goods	**519.1**	340.9
Excise Duty Collected from Customers	**691.1**	2,259.1
Total	**28,387.3**	**26,477.0**

Notes to the Standalone Financial Statements
for the year ended 31st March, 2018

22. OTHER INCOME:

(Rs. In Million)

	Year Ended 31st March, 2018	Year Ended 31st March, 2017
(a) Interest income on financial assets carried at amortised cost	**86.1**	143.0
(b) Dividend Income		
(I) Dividend from Associate	**462.2**	401.9
(II) Dividend from Others- Equity Investments Designated at FVTOCI	**5.1**	4.5
(c) Other Non operating Income		
(I) Net gain/(loss) on investments classified at FVTPL	**472.6**	341.6
(II) Net gain on disposal of property, plant and equipment	**-**	0.8
(III) Gain From Exchange difference	**12.7**	12.2
(IV) Other Income	**235.3**	98.1
	1,274.0	**1,002.1**

23. COST OF MATERIAL CONSUMED

(Rs. In Million)

	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Inventory at the beginning of the year	**1,029.1**	896.5
Add: Purchases	**20,334.4**	18,252.2
Less: Inventory at the end of the year	**1,063.7**	1,029.1
	20,299.8	**18,119.6**

24. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK-IN-PROGRESS

(Rs. In Million)

	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Inventories at the end of the period (A)		
Work-in-progress	**1,068.1**	1,088.4
Finished goods	**2,561.9**	2,212.3
Stock-in-Trade	**117.8**	128.0
	3,747.8	**3,428.7**
Inventories at the beginning of the period (B)		
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**
(Increase)/Decrease in Inventories (B)-(A)	**(319.1)**	**(1,183.3)**

25. EMPLOYEE BENEFITS EXPENSES

(Rs. In Million)

	Year Ended 31st March, 2018	Year Ended 31st March, 2017
(a) Salaries, wages and bonus	**946.5**	838.1
(b) Contribution to provident and other funds	**61.8**	54.6
(c) Gratuity expense	**14.5**	10.9
(d) Leave Encashment	**34.2**	29.3
(e) Staff welfare expenses	**297.6**	259.0
	1,354.6	**1,191.9**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2018

26. FINANCE COSTS

(Rs. In Million)

	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Interest on debts and borrowings	0.2	42.9
Interest others	14.2	-
	14.4	**42.9**

27. DEPRECIATION AND AMORTIZATION EXPENSES

(Rs. In Million)

	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Depreciation on Tangible assets (note 3)	435.9	478.8
Amortization of Intangible assets (note 4)	2.1	1.5
	438.0	**480.3**

28. OTHER EXPENSES

(Rs. In Million)

	Year Ended 31st March, 2018	Year Ended 31st March, 2017
(a) Consumption of stores and spares	314.1	229.9
(b) Power and fuel	474.7	434.8
(c) Freight and forwarding charges	450.4	416.0
(d) Rent	51.4	44.7
(e) Rates and taxes	15.0	14.7
(f) Provision Other-Duties/Taxes	(54.8)	254.5
(g) Insurance	19.0	10.9
(h) Repairs and maintenance -		
(i) Plant and machinery	33.0	23.3
(ii) Buildings	8.8	12.9
(iii) Others	36.0	36.7
(i) CSR expenditure	46.0	15.8
(j) Advertising and sales promotion	255.8	173.5
(k) Travelling and conveyance	91.8	87.6
(l) Communication costs	11.9	11.8
(m) Legal and professional fees	53.4	42.2
(n) Non Executive Directors' sitting fees & Commission	10.7	7.1
(o) Payment to auditor (Refer details 1 below)	8.4	5.6
(p) Warranty Costs (net of reversal)	0.4	2.0
(q) Allowances for doubtful debts and advances	19.7	2.5
(r) Miscellaneous expenses (refer note 2 below)	181.9	200.4
(s) Impairment of Financial Assets	184.8	245.0
(t) Bad Debts	19.2	1.7
	2,231.6	**2,273.6**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2018

Notes:

1. **Payment to Auditors**

(Rs. In Million)

Particulars	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Audit Fees	**4.1**	3.4
For other service (certifications, etc)	**3.4**	1.2
For reimbursement of expenses	**0.4**	0.2
For taxation matters	**0.5**	0.8
Total	**8.4**	**5.6**

2. Miscellaneous expenses includes Donation to political party Rs 1.5 million during the previous year (Current year- Nil)

29. CONTINGENT LIABILITIES AND COMMITMENTS

(a) Contingent Liabilities

Claims against the company not acknowledged as debts

(Rs. In Million)

		As at 31st March, 2018	As at 31st March, 2017
I	**Disputed Tax Matters**		
	Excise	**410.4**	200.5
	Customs	**13.4**	13.4
	Sales Tax (Including Entry Tax)	**1,375.1**	790.9
	Income Tax (Including Wealth Tax) - wherein the Company is in Appeal	**146.5**	74.4
	Income Tax (Including Wealth Tax) - wherein the Department is in Appeal	**305.1**	66.6
II	Other claims against the Company not acknowledged as debts	**2.8**	2.8
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 / eight times of duty saved on capital goods Imported under the policy to be fulfilled in six / eight years from authorization issue date. As at 31st March, 2018, the export obligation amounting Rs. 1,047.9 million (previous year Rs. 1,047.9 million) has not been fulfilled by the Company and hence as per the policy, the Company may have to pay the duty saving amount to Rs. 68.5 million (previous year Rs. 144.7 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 fullfil such export obligation (most of which are due within 12 month from Balance Sheet date). In the regards, the Company has in the past obtained extension of further 2 years from Director General of Foreign Trade and in certain cases applied for further extension. Considering the future export plans,expected extension of the fulfillment period and likely policy relaxations management has assessed the need for providing the same and has concluded no provision is required to be made on this account in the financial statements.	**68.5**	144.7

IV Financial Support

In respect of Finolex J Power Systems Private Limited (Joint Venture) whose net worth has been substantially eroded, the Company along with its joint venture partner has committed to provided financial support to the joint venture as and when required.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2018

(b) Capital Commitments

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
Estimated amount of contracts remaining to be executed on capital account and not provided for.	**160.0**	250.0

Note:

Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.

30. EMPLOYEE BENEFIT PLAN

1. Defined Contribution plan

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution retirement benefit plans for eligible employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions as specified under the law/scheme and are paid to the Government administered Provident fund and in case of Superannuation to the Scheme set up as trust by the Company - Insurer the Company is liable only for annual contributions.

The Company has recognised Rs 43.3 million (31st March, 2017 - Rs 39.2 million) for provident fund contributions and Rs 18.5 million (31st March, 2017 - Rs 15.4 million) for superannuation contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

2. Defined Benefit plan

Gratuity-Funded

The Company has a defined benefit gratuity plan. The gratuity plan is primarily governed by the Payment of Gratuity Act,1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The level of benefits provided depends on the member's length of service and salary at the retirement date. The gratuity plan is funded plan. The fund has the form of a trust and is governed by Trustees appointed by the Company. The Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy in accordance with the regulations. The funds are deployed in recognised insurer managed funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimates of expected gratuity payments.

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, 2018	**As at 31st March, 2018**	**As at 31st March, 2017**
Present value of obligations at the beginning of the year	**162.6**	136.1
Interest Cost	**11.7**	11.0
Current service cost	**12.6**	10.1
Benefits paid from the Fund	**(13.6)**	(13.1)
Actuarial (gain)/loss on obligations	**3.3**	18.5
Present Value of obligations as at end of the year	**176.6**	**162.6**
Table showing changes in the fair value of plan assets as on 31st March, 2018		
Fair value of plan assets at the beginning of the year	**137.6**	126.5
Expected return on plan assets	**8.8**	11.2

Notes to the Standalone Financial Statements
for the year ended 31st March, 2018

Statement showing changes in Present Value of obligations as on 31st March, 2018	As at 31st March, 2018	As at 31st March, 2017
Contributions	**26.4**	12.8
Benefits paid	**(13.6)**	(13.1)
Return on Plan Assets, Excluding Interest Income	**1.1**	0.2
Fair value of plan asset at end of the year	**160.3**	137.6
Funded status	**91%**	**85%**
Actuarial (gain)/Loss recognised		
Actuarial (gain)/Loss for the year - obligation	**3.3**	18.5
Actuarial (gain)/Loss for the year - plan assets	**(1.2)**	(0.2)
Total (gain)/Loss for the year	**2.1**	18.3
Actuarial (gain)/Loss recognised in the year	**2.1**	**18.3**
Amounts to be recognised in the Balance Sheet		
Present Value of obligations as at the end of the year	**(176.6)**	(162.6)
Fair value of plan assets as at the end of the year	**160.3**	137.6
Funded Status	**(16.3)**	(25.0)
Net Asset/(Liability) recognised in balance sheet	**(16.3)**	**(25.0)**
Expenses Recognised in statement of Profit & Loss Account		
Current Service Cost	**12.6**	10.1
Interest Cost	**1.9**	0.8
Expected return on plan assets	**-**	-
Net Actuarial(gain)/Loss recognised in the year	**-**	-
Expenses recognised in statement of Profit & Loss	**14.5**	**10.9**
Expenses Recognised in Other Comprehensive Income		
Acturial (Gains)/Losses on obligation for the period	**3.3**	18.5
Return on Plan Assets, Excluding Interest Income	**(1.2)**	(0.2)
Expenses recognised in Other Comprehensive Income	**2.1**	**18.3**
Table showing administration of Plan Assets		
Administered by Life Insurance Corporation	**160.3**	137.6
Total	**160.3**	**137.6**
Actuarial Assumptions:		
Discounted Rate	**7.6%**	7.2%
Rate on return on assets	**7.6%**	7.2%
Salary escalation	**7.0%**	7.0%
Attrition rate (p.a)		
- For service 2 years & below	**25.0%**	15.0%
- For service 3 to 4 years	**12.5%**	15.0%
- For service 5 year & above	**5.0%**	1.0%
Mortality	Indian Assured Lives Mortality (2006-08)Ultimate	

Notes to the Standalone Financial Statements
for the year ended 31st March, 2018

	As on 31st March				
	2018	2017	2016	2015	2014
Experience adjustments					
On plan liability (gain)/loss	**3.3**	18.5	(5.2)	(17.5)	4.6
On plan asset (gain)/loss	**(1.2)**	(0.2)	1.8	(0.4)	(1.0)

As per actuarial valuation report, Expected employer's contribution in next year is Rs. 17.2 million (previous year Rs. 26.02 million)

Effect on DBO on account of 0.5 % change in the assumed rates:

DBO Rates Types	Discount Rate		Salary Escalation Rate		Withdrawal Rate	
Quarter/Year	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
	Increase	Decrease	Increase	Decrease	Increase	Decrease
31 - Mar-18	(11.3)	12.9	12.8	(11.4)	0.3	(0.4)
31 - Mar-17	(15.4)	18.3	18.1	(15.6)	0.1	(0.2)

The sensitivity results above determine their individual impact on Plan's end of year Defined Benefit Obligation. In reality, the plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time.

The expected maturity analysis of undiscounted defined benefit obligation is as follows:

	31st March, 2018	31st March, 2017
Within 1 Year	**20.6**	12.1
Between 1-2 years	**16.3**	8.3
Between 2-3 years	**17.1**	10.6
Between 3-4 years	**14.3**	7.7
Between 4-5 years	**13.4**	6.1
Beyond 5 Years	**264.8**	373.1
Total	**346.5**	**417.9**

Risk exposure

Through it defined benefit plan, the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset Volatility:

The plan liabilties are calculated using a discount rate set with reference to government bond yield. If plan assets underperform this yield, it will result in deficit.These are subject to interest rate risk. To offset the risk the plan assets have been deployed in high grade insurer managed funds.

Inflation rate risk:

Higher than expected increase in salary and medical cost will increase the defined benefit obligation.

Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligations is not straightforward and depends upon the combination of salary increase, discount rate and vesting criterion.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2018

31. FINANCIAL INSTRUMENTS

1. Fair value measurements

1.1. The carrying value and fair value of financial instruments by categories as of 31st March, 2018 is as follows:

(Rs. In Million)

	Fair value through P&L	Fair value through OCI	Amortised cost	Total carrying value	Total fair value
Assets:					
Cash and cash equivalents	-	-	768.7	768.7	768.7
Other balances with banks	-	-	267.4	267.4	267.4
Trade receivables	-	-	1,749.2	1,749.2	1,749.2
Investments #					
Equity and Others	-	1,230.9	-	1,230.9	1,230.9
Mutual Funds (includes FMP)	8,868.2	-	-	8,868.2	8,868.2
Loans	-	-	37.5	37.5	37.5
Other financial assets	-	-	30.0	30.0	30.0
Total	**8,868.2**	**1,230.9**	**2,852.8**	**12,951.9**	**12,951.9**
Liabilities:					
Trade payables	-	-	1,774.5	1,774.5	1,774.5
Borrowings	-	-	5.5	5.5	5.5
Other financial liabilities	-	-	30.3	30.3	30.3
Total	**-**	**-**	**1,810.3**	**1,810.3**	**1,810.3**

The carrying value and fair value of financial instruments by categories as of 31st March, 2017 is as follows:

(Rs. In Million)

	Fair value through P&L	Fair value through OCI	Amortised cost	Total carrying value	Total fair value
Assets:					
Cash and cash equivalents	-	-	324.0	324.0	324.0
Other balances with banks	-	-	1,434.4	1,434.4	1,434.4
Trade receivables	-	-	1,243.9	1,243.9	1,243.9
Investments #					
Equity and Others	-	1,073.7	-	1,073.7	1,073.7
Mutual Funds (includes FMP)	5,810.3	-	-	5,810.3	5,810.3
Loans	-	-	42.0	42.0	42.0
Other financial assets	-	-	326.0	326.0	326.0
Total	**5,810.3**	**1,073.7**	**3,370.3**	**10,254.3**	**10,254.3**
Liabilities:					
Trade payables	-	-	1,882.9	1,882.9	1,882.9
Borrowings	-	-	8.3	8.3	8.3
Other financial liabilities	-	-	31.1	31.1	31.1
Total	**-**	**-**	**1,922.3**	**1,922.3**	**1,922.3**

other than Investment in associates and joint ventures accounted at cost in accordance with Ind AS 27.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2018

1.2. Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. This includes quoted equity instruments, government securities and mutual funds (includes FMP) that have quoted price.

Level 2 Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) such as derivative financial instruments. The Company does not have any Level 2 instruments as at 31st March 2018 and 2017.

Level 3 Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This includes unquoted equity shares.

(Rs. In Million)

	Fair value hierarchy as at 31st March, 2018			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Mutual Funds (includes FMP)	**8,868.2**	-	-	**8,868.2**
Equity Shares #				
Quoted	**822.4**	-	-	**822.4**
Unquoted	-	-	**408.5**	**408.5**
Total	**9,690.6**	-	**408.5**	**10,099.1**

(Rs. In Million)

	Fair value hierarchy as at 31st March, 2017			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Mutual Funds (includes FMP)	5,810.3	-	-	5,810.3
Equity Shares #				
Quoted	665.2	-	-	665.2
Unquoted	-	-	408.5	408.5
Total	**6,475.5**	**-**	**408.5**	**6,884.0**

other than Investment in associates and joint ventures accounted at cost in accordance with Ind AS 27.

Valuation technique(s) and key input(s):

Level 1 The fair value of mutual funds (includes FMP) and quoted equity shares is based on quoted price.

Level 2 The Company does not have any Level 2 instrument as at 31st March, 2018 and 2017.

Level 3 The fair value of unquoted equity shares is determined using market approach.This approach involves the application of multiples, derived from market prices of comparable listed companies, to the parameters of the subject company in order to derive a value for the subject company.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2018

1.3. Reconciliation of level 3 fair value measurements

For the year ended 31st March, 2018	Unlisted shares irrevocably designated as at FVTOCI
Opening balance	1,073.7
Total Gain in other comprehensive income	157.2
Held for sale/Disposals/Settlements	-
Closing balance	**1,230.9**

For the year ended 31st March, 2017	Unlisted shares irrevocably designated as at FVTOCI
Opening balance	1,031.8
Total Gain in other comprehensive income	41.9
Held for sale/Disposals/Settlements	-
Closing balance	**1,073.7**

All gains and losses included in other comprehensive income relate to unlisted shares held at the end of the reporting period and are reported under "Equity Instruments through Other Comprehensive Income".

2. Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The capital structure is as follows:

Particulars	31st March, 2018	31st March, 2017
Total Equity	**21,939.0**	18,774.4
Total Borrowings	**8.4**	12.4
Total capital (borrowings and equity)	**21,947.4**	18,786.8
Equity as a percentage of total capital	**99.96%**	99.93%
Borrowing as a percentage of total capital	**0.04%**	0.07%

(i) Debt is defined as long-term borrowings (including current maturities) and short-term borrowings (excluding contingent considerations (if any)).

(ii) Equity is defined as Equity share capital and other equity including reserves and surplus.

The Company is predominantly equity financed which is evident from the capital structure table. Further, the Company has always been a net cash Company with cash and bank balances along with investment which is predominantly investment in liquid and short term mutual funds being far in excess of debt.

3. Financial risk management

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity, which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

3.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2018

3.1.1 Foreign currency risk management

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar and Euro against the respective functional currency of the company. The Company enters into derivative financial instruments such as foreign exchange forward to mitigate the risk of changes in exchange rates on foreign currency exposures.

The carrying amounts of the Company's foreign currency denominated monetary liabilities/ assets at the end of the reporting period are as follows:

	31st March, 2018		31st March, 2017	
Foreign Currency Liabilities	Foreign Currency (in millions)	Rs. In Million	Foreign Currency (in millions)	Rs. In Million
In USD	**5.1**	**332.3**	6.5	422.1
In EURO	*	**1.5**	0.1	4.3

	31st March, 2018		31st March, 2017	
Foreign Currency Asset	Foreign Currency (in millions)	Rs. In Million	Foreign Currency (in millions)	Rs. In Million
In USD	**1.5**	**94.7**	1.1	71.3

Of the above foreign currency exposures, the following exposures are not hedged:

	31st March, 2018		31st March, 2017	
Foreign Currency Liabilities	Foreign Currency (in millions)	Rs. In Million	Foreign Currency (in millions)	Rs. In Million
In USD	**3.2**	**208.5**	**3.0**	**203.2**
In EURO	*	**1.5**	**0.1**	**4.3**

* Denotes amount less than EURO 50,000

(a) Foreign currency sensitivity analysis

For the year ended 31st March, 2018 and 31st March, 2017, the impact of every rupee 1 depreciation / appreciation in the exchange rate between the Indian Rupee and U.S. Dollar on Profit before tax of the Company, given in below table.

	As of 31st March, 2018		As of 31st March, 2017	
	Rupee depreciate by INR 1 against USD	Rupee appreciate by INR 1 against USD	Rupee depreciate by INR 1 against USD	Rupee appreciate by INR 1 against USD
On Foreign Currency Liabilities (net) (Refer Note 2 below)	**(3.6)**	**3.6**	(5.5)	5.5

Notes:

1) +/- Gain/Loss

2) The impact of depreciation/ appreciation on foreign currency other than U.S.Dollar on profit before tax of the Company is not material.

3.1.2 Interest rate risk management

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.Considering borrowing amount outstanding as at 31st March 2018 and as at 31st March 2017, Company is not exposed to significant interest rate risk.

Notes to the Standalone Financial Statements
for the year ended 31st March, 2018

3.2. Credit risk management

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, loans, cash and cash equivalents, other balances with banks and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units (including FMP), quoted bonds issued by government and quasi government organizations for specified time period.

The Company takes on exposure to credit risk,which is the risk that counterparty will default on its contractual obligations resulting in financial loss to the company.Financial asset that potentially expose the Company to credit risks are listed below:

(Rs. In Million)

	31st March, 2018	31st March, 2017
Trade Receivables	**1,749.2**	1,243.9
Loan	**37.5**	42.0
Total	**1,786.7**	**1,285.9**

3.3. Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The maturity profile of the financial liabilities are listed below:

Expected contractual maturity for Financial Liabilities

	Up to 1 year	1 to 3 years	3-5 years	Beyond 5 years	Total	Carrying Amount
31.3.2018						
Borrowings	2.9	2.6	1.2	1.7	8.4	8.4
Trade Payables	1,774.5	-	-	-	1,774.5	1,774.5
Other Financial Liabilities	27.4	-	-	-	27.4	27.4
Total	**1,804.8**	**2.6**	**1.2**	**1.7**	**1,810.3**	**1,810.3**
31.3.2017						
Borrowings	4.1	3.6	1.2	3.5	12.4	12.4
Trade Payables	1,882.9	-	-	-	1,882.9	1,882.9
Other Financial Liabilities	27.0	-	-	-	27.0	27.0
Total	**1,914.0**	**3.6**	**1.2**	**3.5**	**1,922.3**	**1,922.3**

The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments.

3.4. Financing Facilities

As at 31st March, 2018, the Company has available Rs. 2,000.0 million (31st March, 2017: Rs. 2,000.0 million) of undrawn committed borrowing facilities.

Notes to the Standalone Financial Statements
for the year ended 31st March, 2018

32. RELATED PARTY DISCLOSURES

Names of Related Parties :

Where transactions have taken place during the year and previous year/ balance outstanding.

(a) Associate Company
Finolex Industries Limited

(b) Joint Venture Entities
Finolex J- Power Systems Private Limited
Corning Finolex Optical Fibre Private Limited

(c) Promotor Group Entities
Orbit Electrical Private Limited
Finolex Infrastructure Limited
Finolex Plassson Industries Private Limited
Magnum Machines Technologies Limited

(d) Enterprises controlled by KMP; (Mr. P. G. Pawar)
Sakal Media Private Limited
Sakal India Foundation
Sakal Relief Fund

(e) Employee Benefit Funds
Finolex Cables Limited Employee's Group Gratuity Scheme
Finolex Cables Limited Group Superannuation Scheme

(f) Key Management Personnel

Mr. D. K. Chhabria	Executive Chairman and Promotor
Mr. Mahesh Viswanathan	Deputy Managing Director and Chief Financial Officer
Mr. R G D'Silva	Company Secretory & President (Legal)
Dr. H. S. Vachha	Independent Non-Executive Director
Mr. Sanjay K. Asher	Independent Non-Executive Director
Mr. P. G. Pawar	Independent Non-Executive Director
Mr. Pradeep R. Rathi	Independent Non-Executive Director
Mrs. Namita Thapar	Non-Executive Director
Mr. Shishir Lall (w.e.f. 30th May, 2017)	Independent Non-Executive Director
Mr. Atul C Choksey (upto 4th November, 2016)	Independent Non-Executive Director
Mr. Adi. J. Engineer (upto 30th May, 2017)	Independent Non-Executive Director
Mr. S. B. (Ravi) Pandit (upto 31st May, 2017)	Independent Non-Executive Director
Sumit N. Shah (From 14th Feb., 2017 to 28th Sept., 2017)	Independent Non-Executive Director

(g) Relatives of Key Management Personnel; (Mr. D. K. Chhabria)

Mr. Kishandas. P. Chhabria	Father
Mr. Vijay. K. Chhabria	Brother
Mrs. Sunita. K. Chhabria	Mother
Mrs. Vini. D. Chhabria	Wife
Ms. Radhika. D. Chhabria	Daughter

Notes to the Standalone Financial Statements

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(A) Transaction with Related Parties

(Rs. In Million)

Particulars	Financial Year	Associate Company	Joint Venture Entities	Promotor Group Entities	Enterprises controlled by KMP	Employee Benefit Funds	Key Management Personnel *	Relatives of Key Management Personnel
Investment	2017-18	-	159.3	-	-	-	-	
	2016-17	-	196.0	-	-	-	-	
Dividend paid	2017-18	66.6	-	140.9	-	-	2.8	8.2
	2016-17	55.5	-	117.4	-	-	2.3	6.8
Dividend received	2017-18	462.2	-	2.0	-	-	-	
	2016-17	401.9	-	2.5	-	-	-	
Rent paid	2017-18	-	-	2.5	-	-	-	
	2016-17	-	-	2.1	-	-	-	
Rent Received	2017-18	-	2.0	0.6	-	-	-	
	2016-17	-	2.3	0.6	-	-	-	
Advertising & Sales Promotion	2017-18	-	-	-	15.8	-	-	
	2016-17	-	-	-	-	-	-	
Purchases of Property Plant Equipment	2017-18	-	-	0.1	-	-	-	
	2016-17	-	-	1.3	-	-	-	
Contribution to fund	2017-18	-	-	-	-	44.9	-	
	2016-17	-	-	-	-	28.2	-	
Refund received from fund	2017-18	-	-	-	-	18.5	-	
	2016-17	-	-	-	-	15.4	-	
Corporate Social Responsibility	2017-18	-	-	-	10.0	-	-	
	2016-17	-	-	-	-	-	-	
Managerial remunation	2017-18	-	-	-	-	-	158.4	
	2016-17	-	-	-	-	-	139.4	
Amounts owed by related parties (Receivable)	2017-18	-	1.9	2.5	-	-	-	
	2016-17	4.4	0.4	2.5	-	-	-	
Amounts owed to related parties (payable)	2017-18	-	-	-	-	16.3	122.0	
	2016-17	6.0	-	-	-	25.0	107.6	

Note:

*Key managerial Personnel are entitled to post- employement benefits recognised as per IND-AS 19-'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of acturial valuation, the same is not included above.

33. SEGMENT REPORTING

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.

A. 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 - Electrical Products and Appliances

Notes to the Standalone Financial Statements
for the year ended 31st March, 2018

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".

(Rs. In Million)

Particulars	31st March, 2018	31st March, 2017
Segment Revenue		
A. Electrical cables	**23,061.6**	21,778.1
B. Communication cables	**4,769.3**	3,685.1
C. Copper rods	**9,043.2**	5,135.0
D. Others	**599.1**	413.8
Total segment revenue	**37,473.2**	**31,012.0**
Less : Inter segment revenue	**(8,444.8)**	(4,304.5)
Net segment revenue	**29,028.4**	**26,707.5**
Segment Results		
A. Electrical cables	**3,761.3**	3,313.5
B. Communication cables	**467.2**	333.6
C. Copper rods	**96.5**	16.3
D. Others	**(100.1)**	(158.1)
Total segment results	**4,224.9**	**3,505.3**
(Less) : Finance costs	**(14.4)**	(42.9)
Add /(Less) : unallocable income/(Loss) net of unallocable expenditure	**834.3**	730.8
Profit before tax	**5,044.8**	**4,193.2**
Income Taxes	**1,462.8**	**1,034.4**
Profit for the year	**3,582.0**	**3,158.8**
Other Information		
Segment Assets		
A. Electrical cables	**7,822.1**	7,785.7
B. Communication cables	**2,923.0**	2,137.0
C. Copper rods	**386.4**	317.5

Notes to the Standalone Financial Statements

for the year ended 31st March, 2018

(Rs. In Million)

Particulars	31st March, 2018	31st March, 2017
D. Others	292.6	347.7
Unallocable Assets	13,336.4	11,173.6
Total Assets	**24,760.5**	**21,761.5**
Segment Liabilities		
A. Electrical cables	1,994.7	2,184.0
B. Communication cables	247.6	400.9
C. Copper rods	58.2	34.9
D. Others	63.9	39.3
Unallocable Liabilities	457.1	328.0
Total Liabilities	**2,821.5**	**2,987.1**

FOR THE YEAR ENDED 31st MARCH, 2018

(Rs. In Million)

	Capital Expenditure	Depreciation	Non cash Expenditure other than Depreciation to the extend allocable to the segment
A. Electrical cables	294.4	372.7	
B. Communication cables	38.0	48.2	1.4
C. Copper rods	0.2	6.9	
D. Others	36.8	10.2	
Total	**369.4**	**438.0**	**1.4**

FOR THE YEAR ENDED 31st MARCH, 2017

(Rs. In Million)

	Capital Expenditure	Depreciation	Non cash Expenditure other than Depreciation to the extend allocable to the segment
A. Electrical cables	338.0	403.1	254.5
B. Communication cables	5.7	60.7	2.5
C. Copper rods	0.1	0.2	-
D. Others	8.7	16.3	-
Total	**352.5**	**480.3**	**257.0**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2018

Reconciliation of Revenue

(Rs. In Million)

	31st March, 2018	31st March, 2017
Revenue from operation	28,842.3	26,707.5
Add: Miscellaneous Income (Included in Other Income)	186.1	-
Total Segment revenue as reported above	**29,028.4**	**26,707.5**

B. Secondary Segment Information

The company's operations are mainly confined within India and as such there are no reportable geographical segments.

34. EARNINGS PER SHARE (EPS)

(Rs. In Million)

Basic earning per share	**Year Ended 31st March, 2018**	**Year Ended 31st March, 2017**
Net Profit for the year attributable to the equity holders	**3,582.0**	**3,158.8**
Weighted average number of Equity shares for basic EPS	152,939,345	152,939,345
Par value per share (in Rs.)	2.0	2.0
Basic Earnings per share (in Rs.)	23.4	20.7
Diluted Earnings per share (in Rs.)	23.4	20.7

Note: The Company does not have any dilutive potential equity shares in any of the period's , therefore weighted average number of equity shares outstanding at the year end for basic EPS and diluted EPS is same.

35. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed.

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 46930

Mumbai : 28th May, 2018

For **and behalf of Board of Directors of Finolex Cables Limited**

D. K. Chhabria
Executive Chairman

P. G. Pawar

Mahesh Viswanathan
Dy. Managing Director & Chief Financial Officer

Shishir Lall

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

Namita Thapar

Pune : 28th May, 2018

Independent Auditor's Report

To The Members of Finolex Cables Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of FINOLEX CABLES LIMITED (hereinafter referred to as "the Company"), its associate and its joint ventures, comprising the Consolidated Balance Sheet as at 31 March, 2018, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement, the Consolidated 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 "the consolidated Ind AS financial statements").

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

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 financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and statement of changes in equity of the Company including its associate and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. The respective Board of Directors of the Company and of its associate and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and its Associate and its Joint ventures 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 consolidated 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.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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.

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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in sub-paragraphs of the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

OPINION

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 other auditors on separate financial statements/ financial information of the associates and joint ventures referred to below in the Other Matter paragraph, 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, its associate and joint ventures as at 31st March, 2018, and their consolidated profit, consolidated total comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

OTHER MATTER

The consolidated Ind AS financial statements also include the Company's share of net profit of Rs. 724 million and Total comprehensive loss of Rs. 2.9 million for the year ended 31st March, 2018, as considered in the consolidated Ind AS financial statements, in respect of 1 associate and 2 joint ventures, whose financial statements have not been audited by us. These financial statements 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 statements, in so far as it relates to the amounts and disclosures included in respect of these joint ventures and associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate and joint ventures is based solely on the reports of the other auditors.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and the other financial information of associates and joint venture companies incorporated in India, referred in the Other Matter paragraph above we report, to the extent applicable, 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, returns and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity 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 Indian Accounting Standards prescribed under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Company as on 31 March , 2018 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its associate company and joint venture companies incorporated in India, none of the directors of the Company, its associate company and joint venture companies incorporated in India is disqualified as on 31st March 2018 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Company, associate company and jointly controlled companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies, for the reasons stated therein.

(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 financial position of the Company, its associate and joint ventures.

ii. The Company, its associate and joint ventures 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 its associate company and joint venture companies incorporated in India.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Place: Mumbai
Dated: 28th May, 2018

Rupen K. Bhatt
Partner
(Membership Number: 46930)

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 Company as of and for the year ended 31 March, 2018, we have audited the internal financial controls over financial reporting of Finolex Cables Limited (hereinafter referred to as "the Company") and its associate company and its joint venture Companies which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Company and its associate and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 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 financial information, as required under the Companies Act, 2013.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its associate and joint ventures companies, which are companies incorporated in India, 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the associate and joint ventures companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its associate company and its joint venture companies, which are companies incorporated in India.

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) 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 financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matter paragraph below, the Company and its associate company and joint ventures which are companies incorporated in India have, in all material respects, maintained adequate internal financial controls over financial reporting as of 31 March, 2018, based on the criteria for internal financial control over financial reporting established by the respective companies 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 MATTER

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 1 associate company and 2 joint venture companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Place: Mumbai
Dated: 28th May, 2018

Rupen K. Bhatt
Partner
(Membership Number: 46930)

Consolidated Balance Sheet

as at 31st March, 2018

(Rs. In Million)

	Note No.	As at 31st March, 2018	As at 31st March, 2017
I ASSETS			
Non Current Assets			
(a) Property, Plant and Equipment	3	**4,080.0**	4,136.7
(b) Capital Work-in-Progress		**52.0**	81.5
(c) Intangible Assets	4	**9.9**	12.0
(d) Investments Accounted for using the equity method	5A	**5,127.2**	4,709.1
(e) Financial Assets			
i) Other Investments	5B	**3,089.3**	2,179.0
ii) Loans	6	**37.5**	42.0
iii) Other	6A	**6.6**	257.6
(f) Non-Current Tax Assets (Net)		**122.4**	130.4
(g) Other Non-Current Assets	7	**214.9**	293.2
		12,739.8	**11,841.5**
Current Assets			
(a) Inventories	8	**4,990.6**	4,620.1
(b) Financial Assets			
i) Investments	5C	**7,009.8**	4,705.0
ii) Trade Receivables	9	**1,749.2**	1,243.9
iii) Cash and Cash Equivalents	10A	**768.7**	324.0
iv) Other bank balances	10B	**267.4**	1,434.4
v) Others	6A	**23.4**	68.4
(c) Other Current Assets	11	**289.7**	158.6
		15,098.8	**12,554.4**
TOTAL ASSETS		**27,838.6**	**24,395.9**
II EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	12	**305.9**	305.9
(b) Other Equity	13	**23,983.7**	21,102.9
		24,289.6	**21,408.8**
LIABILITIES			
Non Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	14	**5.5**	8.3
(b) Provisions	15	**69.7**	60.1
(c) Deferred Tax Liabilities (Net)	16 B	**1,076.8**	182.7
(d) Other Non-Current Liabilities	17	**-**	1.9
		1,152.0	**253.0**
Current Liabilities			
(a) Financial Liabilities			
i) Trade payables	18	**1,774.5**	1,882.9
ii) Other Financial Liabilities	19	**30.3**	31.1
(b) Other Current Liabilities	20	**207.5**	343.7
(c) Provisions	15	**304.7**	360.0
(d) Current tax Liabilities (Net)		**80.0**	116.4
		2,397.0	**2,734.1**
		3,549.0	**2,987.1**
TOTAL EQUITY AND LIABILITIES		**27,838.6**	**24,395.9**

See accompanying notes to the Consolidated Financial Statements

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 46930

Mumbai : 28th May, 2018

For **and behalf of Board of Directors of Finolex Cables Limited**

D. K. Chhabria
Executive Chairman

P. G. Pawar

Shishir Lall

Namita Thapar

Mahesh Viswanathan
Dy. Managing Director & Chief Financial Officer

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

Pune : 28th May, 2018

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2018

(Rs. In Million)

		Note No.	Year Ended 31st March, 2018	Year Ended 31st March, 2017
I	Revenue from operations	21	28,842.3	26,707.5
II	Other income	22	811.8	593.5
III	**Total income**		**29,654.1**	**27,301.0**
IV	**EXPENSES**			
	(a) Cost of material consumed	23	20,299.8	18,119.6
	(b) Purchase of traded goods		361.1	332.3
	(c) Changes in inventories of finished goods, stock in trade and work-in-progress	24	(319.1)	(1,183.3)
	(d) Excise duty		691.1	2,259.1
	(e) Employee benefits expenses	25	1,354.6	1,191.9
	(f) Finance Costs	26	14.4	42.9
	(g) Depreciation and amortization expenses	27	438.0	480.3
	(h) Other Expenses	28	2,046.8	2,028.6
	Total Expenses (IV)		**24,886.7**	**23,271.5**
V	**Profit before share of net profits of investments accounted for using equity method and tax**		**4,767.4**	**4,029.5**
	Share of net Profits of an Associate and Joint Ventures accounted for using the Equity Method		724.0	1,007.3
VI	**Profit before Tax**		**5,491.4**	**5,036.8**
VII	**Tax Expense**			
	(a) Current tax	16A	1,316.6	1,080.7
	(b) Deferred tax	16B	873.7	(46.3)
	Total Tax (VII)		**2,190.3**	**1,034.4**
VIII	**Profit for the year**		**3,301.1**	**4,002.4**
IX	**Other comprehensive income /(expense)**			
	A. Items that will not be reclassified to profit or loss			
	(i) Re-measurement gain/ (loss) on defined benefit plans		(2.1)	(18.3)
	(ii) Gain/(loss) on FVTOCI on equity instruments		157.2	41.9
	(iii) Income tax relating to these items		(20.4)	14.1
	(iv) Share of Other Comprehensive (Expense) of an Associate and Joint Ventures accounted for using the Equity Method		(2.9)	(13.0)
	B. Items that will be reclassifed to profit or loss		-	-
	Other comprehensive income for the year		**131.8**	**24.7**
X	**Total comprehensive income for the year**		**3,432.9**	**4,027.1**
	Profit for the year attributable to:			
	- Owners of the Company		3,301.1	4,002.4
	- Non-controlling interest		-	-
			3,301.1	4,002.4
	Other Comprensive Income for the year attributable to:			
	- Owners of the Company		131.8	24.7
	- Non-controlling interest		-	-
			131.8	24.7
	Total Comprehensive Income for the year attributable to:			
	- Owners of the Company		3,432.9	4,027.1
	- Non-controlling interest		-	-
			3,432.9	4,027.1
XI	**Earnings Per Equity Share (Face Value Rs. 2 per share)**			
	(i) Basic	34	21.6	26.2
	(ii) Diluted	34	21.6	26.2

See accompanying notes to the Consolidated Financial Statements

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 46930

Mumbai : 28th May, 2018

For **and behalf of Board of Directors of Finolex Cables Limited**

D. K. Chhabria
Executive Chairman

P. G. Pawar

Mahesh Viswanathan
Dy. Managing Director & Chief Financial Officer

Shishir Lall

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

Namita Thapar

Pune : 28th May, 2018

Consolidated Statement of Cash Flows

for the year ended 31st March, 2018

(Rs. In Million)

Particulars	Year Ended 31st March, 2018	Year Ended 31st March, 2017
A. Cash flows from operating activities		
Profit for the year	**5,491.4**	**5,036.9**
Adjustments for :		
Finance Costs	**14.4**	42.9
Interest Income	**(86.1)**	(143.0)
Dividend income	**(5.1)**	(4.5)
Share of profit of an Associate and Joint Ventures accounted for using the Equity Method	**(724.0)**	(1,007.3)
Net gain/(Loss) on fair value changes of investments classified at FVTPL	**(472.6)**	(341.6)
Allowance for Doubtful Debts and Advances (Net)	**19.7**	2.5
Warranty Charges	**0.4**	2.0
Depreciation and Amortisation Expenses	**438.0**	480.3
Provision made/Written back (net)	**(54.8)**	254.5
Loss/(gain) on sale of property,plant and equipment	**3.0**	(0.8)
	(867.1)	**(715.0)**
	4,624.3	**4,321.9**
Working Capital Adjustments		
Adjustments for (increase) / decrease in operating assets:		
Trade Receivables	**(525.0)**	12.8
Inventories	**(370.5)**	(1,327.2)
Other Current Assets	**(131.1)**	501.7
Other Financial Assets (Current and Non-Current)	**245.0**	(250.5)
Other Non Current Assets	**95.0**	(60.2)
Security deposit	**4.5**	(6.0)
	(682.1)	**(1,129.4)**
	3,942.2	**3,192.5**
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	(108.4)	179.3
Long term / Short Term Provisions	8.7	31.5
Other Current Liabilities	(136.2)	4.3
Other Financial Liabilities (Current and Non - Current)	(2.6)	1.2
Other Non Current Liabilities	(1.9)	(2.1)
	(240.4)	**214.2**
Cash generated from operations	**3,701.8**	3,406.7
Income Tax paid	**(1,345.0)**	(1,279.1)
Net cash generated by operating activities	**2,356.8**	**2,127.6**
B. Cash Flow from Investing Activities		
Dividend received from Others	**5.1**	4.5
Dividend received from associate	**462.2**	401.9
Other bank balances	**1,167.0**	541.7
Interest received - Others	**137.1**	142.7
Purchase of Investments (Mutual Funds)	**(26,210.1)**	(20,364.1)
Proceed from sale of investments	**23,622.7**	18,558.1
Purchase of investment in joint ventures	**(159.2)**	(196.0)
Purchase of PPE	**(369.4)**	(352.5)
Proceeds from sale of Fixed Assets	**-**	2.6
Net cash (used in) investing activities	**(1,344.6)**	**(1,261.1)**

Consolidated Statement of Cash Flows (Cont.)

for the year ended 31st March, 2018

(Rs. In Million)

Particulars	Year Ended 31st March, 2018	Year Ended 31st March, 2017
C. Cash Flow from Financing Activities		
Other long term borrowings repaid	**(4.0)**	(255.1)
Dividends paid	**(455.7)**	(378.6)
Dividend tax paid	**(93.4)**	(77.2)
Interest and Other Borrowing Costs	**(14.4)**	(42.9)
Net cash from/(used) in financing activities	**(567.5)**	**(753.8)**
Net Increase /(Decrease) in cash and cash equivalents	**444.7**	**112.7**
Cash and Cash Equivalents as at 1st April (Opening Balance)	**324.0**	**211.3**
Cash and Cash Equivalents as at 31st March (Closing Balance)	**768.7**	**324.0**

Note:

1. Cash and Cash Equivalents include:

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
(a) Cash on hand	**0.1**	0.2
(b) Balances with banks		
In current accounts	**768.6**	323.8
Cash and Cash Equivalents	**768.7**	**324.0**

2. Effective April, 2017 the Company adopted the amendment to IND AS 7- Statement of Cash Flows which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financial activities including both changes arising from cash flows and non-cash charges, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any material impact on the financial statements.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 46930

Mumbai : 28th May, 2018

For **and behalf of Board of Directors of Finolex Cables Limited**

D. K. Chhabria
Executive Chairman

P. G. Pawar

Mahesh Viswanathan
Dy. Managing Director & Chief Financial Officer

Shishir Lall

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

Namita Thapar

Pune : 28th May, 2018

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2018

A) Equity Share Capital

(Rs. In Million)

	No. of shares	Amount
Balance as at 1st April, 2016	**152,939,345**	**305.9**
Issued during the year	-	-
Balance as at 31st March, 2017	**152,939,345**	**305.9**
Issued during the year	-	-
Balance as at 31st March, 2018	**152,939,345**	**305.9**

B) Other Equity

(Rs. In Million)

Description	Reserve and surplus					Item of Other Comprehensive Income	Total
	Securities Premium Reserve	Capital Reserve	General Reserve	Share buyback Reserve	Retained Earnings	Equity Instrument through Other Comprehensive Income	
Balance as at 1st April, 2016	**1,091.0**	**84.1**	**5,523.6**	**55.2**	**9,902.6**	**878.8**	**17,535.3**
Profit for the year	-	-	-	-	4,002.5	-	4,002.5
Other Comprehensive Income/ (Expense) for the year (Net of Tax)	-	-	-	-	(31.3)	56.0	24.7
Total comprehensive income for the year	-	-	-	-	3,971.2	56.0	4,027.2
Dividend Paid	-	-	-	-	(382.4)	-	(382.4)
Dividend Distribution Tax	-	-	-	-	(77.2)	-	(77.2)
Balance as at 31st March, 2017	**1,091.0**	**84.1**	**5,523.6**	**55.2**	**13,414.2**	**934.8**	**21,102.9**
Balance as at 1st April, 2017	1,091.0	84.1	5,523.6	55.2	13,414.2	934.8	21,102.9
Profit for the year	-	-	-	-	3,301.1	-	3,301.1
Other Comprehensive Income/ (Expense) for the year (Net of Tax)	-	-	-	-	(5.0)	136.8	131.8
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**3,296.1**	**136.8**	**3,432.9**
Dividend Paid	-	-	-	-	(458.7)	-	(458.7)
Dividend Distribution Tax	-	-	-	-	(93.4)	-	(93.4)
Balance as at 31st March, 2018	**1,091.0**	**84.1**	**5,523.6**	**55.2**	**16,158.2**	**1,071.6**	**23,983.7**

See accompanying notes to the Consolidated Financial Statements

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 46930

Mumbai : 28th May, 2018

For **and behalf of Board of Directors of Finolex Cables Limited**

D. K. Chhabria
Executive Chairman

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Mahesh Viswanathan
Dy. Managing Director & Chief Financial Officer

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

Pune : 28th May, 2018

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2018

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, 2018 were approved for issue by the Board of Directors in accordance with their resolution dated 28th May, 2018.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of consolidated financial statements:

These consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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.

Effective 1st April, 2016, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with April 1, 2015 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

The comparative consolidated financial statements of the Company, for the year ended 31st March, 2017 prepared in accordance with Ind AS were audited by M/S B. K. Khare & Co.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

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

2.2 Basis of Consolidation

2.2.1 The consolidated financial statements comprise the financial statements of the Company and its Joint Ventures & Associate as at disclosed in note 2.2.9

2.2.2 An Associate is an entity over which the Company 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.

2.2.3 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 ventures. 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.

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

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

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2018

2.2.6 If an entity's share of losses of an associate or joint ventures equals or exceeds its interest in the associate or joint ventures (which includes any long term interest that, in substance, form part of the Company's net investment in the associate or joint ventures), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate or joint ventures. If the associate or joint ventures 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.

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

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

Upon loss of significant over the associate or joint venture, the Company measures and recognises any retained investment at its fair value upon loss of significant influence over the associate or joint control over the joint venture. Any difference between the carrying amount of the associate or joint ventures 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.

2.2.9 Details of Associates and Joint Ventures at the end of the reporting period which are considered in the preparation of the consolidated financial statements

Name of Entity	Principal Activity	Nature	Place of Incorporation	Proportion of ownership interest as at 31st March 2018
Finolex J-Power Systems Pvt. Ltd.	High Voltage Cables	Joint Venture	India	49%
Corning Finolex Optical Fiber Pvt. Ltd.	Optical Fibers	Joint Venture	India	50%
Finolex Industries Ltd.	Pipes and Fittings and PVC Resin	Associate	India	32.39%

Other Significant Accounting Policies

2.3 Use of estimates and judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, useful lives of property, plant and equipment, provisions and contingent liabilities and fair value measurement of financial instruments. Key source of estimation of uncertainty in respect of employee benefits and measurement of deferred tax assets have been discussed in their respective policies.

2.4 Critical accounting estimates

i) Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2018

end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The policy for the same has been explained under Note 2.12.

ii) Provisions

Provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. The policy for the same has been explained under Note 2.17.

iii) Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The policy has been further explained under note 2.18.

2.5 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.

All other assets are classified as non-current.

A liability is treated as current when it is:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- 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.

2.6 Revenue recognition

Revenue is recognized 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 collected from customer. 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.

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have transferred 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

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2018

reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividends

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

2.7 Foreign Currencies

The Functional Currency of the company is in the Indian rupee. 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.

Non –monetary assets and liabilities that all are measured in terms of historical cost in foreign currencies are not retranslated.

2.8 Government Grants

Government grants are recognized on reasonable assurance that the grant will be received and all attached conditions will be complied with. Grant relating 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.

Grants of non-monetary assets 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.

2.9 Employee Benefits

Defined contribution plans

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

Defined benefits plans

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans. A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

Superannuation and ESIC:

Superannuation fund and employees' state insurance scheme (ESI), which are defined contribution schemes, are charged to the Statement of Profit and Loss on accrual basis. The Company has no further obligations for future superannuation fund benefits other than its annual contributions.

Compensated absences:

The Company provides for the compensated absences subject to Company's certain rules. The employees are

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2018

entitled to accumulate leave subject to certain limits, for future encashment or availment. The liability is provided based on the number of days of unavailed leave at each Balance Sheet date on the basis of an independent actuarial valuation using the Projected Unit Credit method. The liability which is not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised based on actuarial valuation as at the Balance Sheet date. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss in the period in which they occur.

2.10 Leases:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Finance lease

Where the Company, as a lesser, leases assets under finance lease, such amounts are recognized as receivables at an amount equal to the net investment in the lease and the finance income is based on constant rate of return on the outstanding net investment. Assets taken on finance lease are initially recognized as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance costs and reduction of outstanding liability. Finance costs are recognized as an expense in the statement of profit or loss over the period of lease, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with Company's general policy on borrowing costs.

Operating lease

Lease arrangements under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease rental under operating lease are recognized in the Statement of Profit and Loss on a straight line basis over the lease term.

2.11 Income Taxes

Current 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). 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 Taxes

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

For operations carried out under tax holiday period (80IA benefits of Income Tax Act, 1961), deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2018

sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

2.12 Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use and for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Depreciation commences when the assets are ready for their intended use. Freehold land and Assets held for sale are not depreciated.

Depreciation is provided for property, plant and equipment so as to expense the cost less residual value over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual value are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

The estimated useful lives in respect of Property, plant and equipment are mentioned below:

Asset Class	Useful Life Adopted (Years)	Useful Life as per Schedule –II (Years)
Plant & Machinery	10 to 25*	15
Solar Plant	25	NA
Buildings-Factory	30	30
Buildings-Others	60	60
Furniture &Fittings	10	10
Office Equipments	5	5
Computers & Peripherals	3 to 6	3 to 6
Vehicles	8	8
Dies &Moulds	6*	8

*As evaluated by internal technical personnel

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.

2.13 Intangible Assets

Intangible assets acquired separately 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.

The amortization policy applied to the Company's intangible assets to the extent of depreciable amount is, as follows:

Particular	Amortisation
Computer Software	Over a period of 5 years

2.14 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.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2018

2.15 Assets Held For Sale

Non-current assets held for sale are measured at the lower of their carrying value and fair value of the assets less costs to sale. Assets and liabilities classified as held for sale are presented separately in the balance sheet. Property, plant and equipment once classified as held for sale are not depreciated/ amortised.

2.16 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of inventories is determined on weighted average. Cost for this purpose includes cost of direct materials, direct labour, appropriate share of overheads. Net realisable value represents the estimated selling price in the ordinary course of business less all estimated costs of completion and estimated costs necessary to make the sale.

Obsolete, defective, unserviceable and slow / non-moving stocks are duly provided for and valued at net realisable value.

2.17 Provisions

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.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Warranty Provisions

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the Company's best estimate of the expenditure required to settle the Company's obligation.

2.18 Financial Assets and Financial Liabilities

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

2.19 Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2018

fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Impairment of financial assets (other than financial assets at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

2.20 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognized in statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

2.21 Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately.

2.22 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.

2.23 Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2018

2.24 Recent accounting pronouncements

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was issued on 28th March 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after 1st April, 2018. The Company plans to adopt the new standard on the required effective date. The new standard is not expected to materially affect the timing of revenue and impact financial statements of the Company.

Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Consideration

The Appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration.

Entities may apply the Appendix requirements on a fully retrospective basis. Alternatively, an entity may apply these requirements prospectively to all assets, expenses and income in its scope that are initially recognised on or after:

i. The beginning of the reporting period in which the entity first applies the Appendix, or

ii. The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the Appendix.

The Appendix is effective for annual periods beginning on or after 1st April 2018. However, since the Company's current practice is in line with the Interpretation, the Company does not expect any effect on its financial statements.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2018

3. PROPERTY,PLANT AND EQUIPMENT

(Rs. In Million)

	Land	Leasehold Land	Buildings @	Plant and Equipment	Furniture & Fittings	Office Equipment	Computers, Peripherals	Vehicles	Total
Cost									
Balance as at 1st April, 2017	138.8	153.0	1,674.7	3,070.5	22.9	21.5	23.5	48.4	5,153.3
Additions	160.8	-	5.0	202.0	0.1	7.9	3.1	3.3	382.2
(Disposals)	-	-	-	(52.5)	-	-	(1.5)	(1.3)	(55.3)
Balance as at 31st March, 2018	**299.6**	**153.0**	**1,679.7**	**3,220.0**	**23.0**	**29.4**	**25.1**	**50.4**	**5,480.2**
Accumulated Depreciation & Impairment									
Balance as at 1st April, 2017	-	3.3	137.6	849.1	4.9	11.3	0.7	9.7	1,016.6
Depreciation expenses for the year	-	1.7	67.2	346.5	3.0	3.8	6.5	7.2	435.9
(Disposals)/ Adjustment	-	-	-	(50.1)	-	-	(1.3)	(0.9)	(52.3)
Balance as at 31st March, 2018	-	5.0	204.8	1,145.5	7.9	15.1	5.9	16.0	1,400.2
Net Carrying Amount as at 31st March, 2018	**299.6**	**148.0**	**1,474.9**	**2,074.5**	**15.1**	**14.3**	**19.2**	**34.4**	**4,080.0**

(Rs. In Million)

	Land	Leasehold Land	Buildings @	Plant and Equipment	Furniture & Fittings	Office Equipment	Computers, Peripherals	Vehicles	Total
Cost									
Balance as at 1st April, 2016	138.8	153.0	1,673.4	2,782.6	22.1	14.1	29.6	49.1	4,862.7
Additions / Adjustment	-	-	1.3	294.4	0.8	7.4	(5.3)	-	298.6
(Disposals)	-	-	-	(6.5)	-	-	(0.8)	(0.7)	(8.0)
Balance as at 31st March, 2017	**138.8**	**153.0**	**1,674.7**	**3,070.5**	**22.9**	**21.5**	**23.5**	**48.4**	**5,153.3**
Accumulated Depreciation & Impairment									
Balance as at 1st April, 2016	-	1.7	69.0	520.5	1.1	3.5	0.1	2.4	598.3
Depreciation expenses for the year	-	1.7	68.6	387.6	3.8	3.1	6.7	7.3	478.8
(Disposals)/ Adjustment	-	(0.1)	-	(59.0)	-	4.7	(6.1)	-	(60.5)
Balance as at 31st March, 2017	-	3.3	137.6	849.1	4.9	11.3	0.7	9.7	1,016.6
Net Carrying Amount as at 31st March, 2017	**138.8**	**149.7**	**1,537.1**	**2,221.4**	**18.0**	**10.2**	**22.8**	**38.7**	**4,136.7**

Note: @ Buildings include Rs * million being cost of ordinary shares in co-operative housing societies.

*Denotes amount less than Rs. 50,000

4. INTANGIBLE ASSETS

(Rs. In Million)

	Computer Software $
Cost	
Balance as at 1st April, 2017	15.1
Additions	-
(Disposals)	-
Balance as at 31st March, 2018	15.1
Accumulated Amortisation & Impairment	
Balance as at 1st April, 2017	3.1
Amortisation expenses for the year	2.1
(Disposals)	-
Balance as at 31st March, 2018	5.2
Net Carrying Amount as at 31st March , 2018	**9.9**

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2018

(Rs. In Million)

	Computer Software $
Cost	
Balance as at 1st April, 2016	4.7
Additions	10.4
(Disposals)	-
Balance as at 31st March, 2017	**15.1**
Accumulated Amortisation & Impairment	
Balance as at 1st April, 2016	0.2
Amortisation expenses for the year	1.5
(Disposals)	1.4
Balance as at 31st March, 2017	3.1
Net Carrying Amount as at 31st March, 2017	**12.0**

Note: $ Other than internally generated intangible assets.

5. INVESTMENTS

(Rs. In Million)

		As at 31st March, 2018	As at 31st March, 2017
5 A)	**Investments Accounted for using the equity method**		
I)	**Investment in Associate accounted using the Equity Method**		
	(i) Equity shares Quoted		
40,192,597	Equity Shares of Rs. 10 each fully paid in Finolex Industries Limited (Previous Year 40,192,597)	**4,543.6**	4,183.8
	Summarised Financial Information		
	Non-Current Assets	**26,967.5**	22,674.3
	Current Assets	**8,081.0**	7,292.7
	Non-Current Assets held for sale	**11.9**	-
	Non-Current Liabilites	**(2,198.5)**	(2,224.9)
	Current Liabilities	**(4,910.7)**	(4,594.5)
	Net Assets	**27,951.2**	**23,147.6**
	Revenue	**28,558.0**	30,108.0
	Profit for the year	**3,063.3**	3,548.5
	Other Comprehensive Income/(Expense) for the year	**3,464.0**	5,187.9
	Total Comprehensive Income for the year	**6,527.3**	8,736.4
	Dividends received from the Associate	**462.2**	401.9
	Reconciliation of the above mentioned summarised financial information to the carrying amount of interest in the Associate recognised in consolidated financial statements:		
	Net assets of the Associate	**27,951.2**	23,147.6
Less:	Unrealised gain in respect of investments held in the Company by the Associate	**(13,923.4)**	(10,230.6)
	Total	**14,027.8**	**12,917.0**
	Proportion of ownership interest in the Associate	**32.39%**	32.39%
	Carrying amount of the Group's Interest in the Associate	**4,543.6**	**4,183.8**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2018

(Rs. In Million)

		As at 31st March, 2018	As at 31st March, 2017
II)	**Investment in Joint Ventures accounted using Equity Method**		
	(i) Equity shares Unquoted		
125,195,000	Equity Shares of Rs.10 each fully paid in Finolex J-Power Systems Private Limited (Previous Year 117,845,000)	**512.8**	511.1
1,750,000	Equity Shares of Rs.10 each fully paid in Corning Finolex Optical Fibre Private Limited (Previous Year 1,750,000)	**70.8**	14.2
	Total	**5,127.2**	**4,709.1**
	Summarised Financial Information		
	Finolex J-Power Systems Private Limited		
	Non - Current Assets	**1,750.3**	1,822.2
	Current Assets	**496.9**	369.0
	Non - Current Liabilites	**(234.8)**	(446.0)
	Current Liabilities	**(966.0)**	(702.1)
	Net Assets	**1,046.4**	**1,043.1**
	Revenue	**317.1**	354.0
	Loss for the year	**(320.5)**	(253.2)
	Other Comprehensive Income/(Expense) for the year	**(0.1)**	(0.1)
	Total Comprehensive Income for the year	**(320.6)**	(253.3)
	Dividends received from the Joint Venture	**Nil**	Nil
	Reconciliation of the above mentioned summarised financial information to the carrying amount of interest in the Joint Venture recognised in consolidated financial statements:		
	Net assets of the Joint Venture	**1,046.4**	1,043.1
	Proportion of ownership interest in the Joint Venture	**49%**	49%
	Carrying amount of the Group's interest in the Joint Venture	**512.8**	**511.1**
	Corning Finolex Optical Fibre Private Limited		
	Non -Current Assets	**Nil**	Nil
	Current Assets	**891.7**	556.2
	Non-Current Liabilites	**Nil**	Nil
	Current Liabilities	**(750.2)**	(527.8)
	Net Assets	**141.5**	**28.4**
	Revenue	**2,372.6**	2,016.0
	Profit for the year	**113.2**	Nil
	Other Comprehensive Income/(Expense) for the year	**Nil**	Nil
	Total Comprehensive Income for the year	**113.2**	Nil
	Dividends received from the Joint Venture	**Nil**	Nil
	Reconciliation of the above mentioned summarised financial information to the carrying amount of interest in the Joint Venture recognised in consolidated financial statements:		
	Net assets of the Joint Venture	**141.5**	28.4
	Proportion of ownership interest in the Joint Venture	**50%**	50%
	Carrying amount of the Group's interest in the Joint Venture	**70.8**	**14.2**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2018

(Rs. In Million)

		As at 31st March, 2018	As at 31st March, 2017
5 B)	**Current Investments**		
a)	**Investments at fair value through other Comprehensive Income (FVTOCI) (fully paid)**		
	(i) Equity shares Unquoted		
-	Equity Shares of Rs.5 each fully paid in Apar Industries Limited (Previous Year 10)	**-**	*
61,000	Equity Shares of Rs. 2 each fully paid in Bharat Forge Limited (Previous Year 30,500)	**42.7**	31.7
358,500	Equity Shares of Rs. 10 each fully paid in IndusInd Bank Limited (Previous Year 358,500)	**643.7**	505.3
168,750	Equity Shares of Rs.5 each fully paid in BF Utilities Limited (Previous Year 168,750)	**64.8**	74.5
168,750	Equity Shares of Rs.5 each fully paid in BF Investment Limited (Previous Year 168,750)	**47.3**	27.9
-	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)	*****	*
-	Equity Shares of Re. 1 each fully paid in Dish TV India Limited (Previous Year 57)	**-**	*
25,096	Equity Shares of Rs. 2 each fully paid in ICICI Bank Limited (Previous Year 22,105)	**7.0**	6.1
200,000	Equity Shares of Rs. 5 each fully paid in Kirloskar Ferrous Limited (Previous Year 200,000)	**16.9**	19.3
100	Equity Shares of Rs. 2 each fully paid in Nicco Corporation (Previous Year 100)	*****	*
-	Equity Shares of Rs.2 each fully paid in KEC International Limited (Previous Year 525)	**-**	0.1
-	Equity Shares of Rs. 2 each fully paid in Sterlite Technologies Limited (Previous Year 500)	**-**	0.1
-	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)	*****	*
-	Equity Shares of Re. 1 each fully paid in Usha Martin Limited (Previous Year 500)	**-**	*
-	Equity Shares of Rs. 10 each fully paid in Vindhya Telelinks Limited (Previous Year 100)	**-**	*
-	Equity Shares of Re. 1 each fully paid in ZEE Entertainment Enterprises Limited (Previous Year 218)	**-**	0.1
-	6% Cumulative Redeemable Non-convertible Preference Shares of Re. 1 each fully paid in ZEE Entertainment Enterprises Limited (Previous Year 4,578)	**-**	*
-	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)	*****	*
	Total Equity Shares-Quoted (i)	**822.4**	**665.2**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2018

(Rs. In Million)

		As at 31st March, 2018	As at 31st March, 2017
	(ii) Equity shares Unquoted		
1,000,000	Equity Shares of Rs. 10 each fully paid in Finolex Plasson Industries Pvt Limited (Previous Year 1,000,000)	**112.5**	112.5
1,000	Equity shares of Rs.10 each fully paid up in the Saraswat Co-op Bank Ltd. (Previous year 1,000)	*	*
967,700	Equity Shares of Rs. 10 each fully paid in SICOM India Limited (Previous Year 967,700)	**210.2**	210.2
5,373,938	Equity Shares of Rs.10 each fully paid in Finolex Infrastructure Limited (Previous Year 5,373,938)	**85.8**	85.8
	Total Equity Shares-Unquoted (il)	**408.5**	**408.5**
	Total FVTOCI investments (i+ii)	**1,230.9**	**1,073.7**
b)	**Investments at fair value through Profit & Loss (FVTPL)**		
	Investment in Fixed Maturity Plan - Unquoted		
7,500,000	Units of Rs 10 each of Franklin India Fixed Maturity Plan-Series 1 Plan A - Growth (Previous Year 7,500,000)	79.8	75.1
10,000,000	Units of Rs 10 each of Franklin India Fixed Maturity Plan-Series 2 Plan A - Growth (Previous Year Nil)	101.4	-
10,000,000	Units of Rs 10 each of Birla Sun Life Fixed Term Plan-Series OF (1151 Days)-Growth-Regular Plan (Previous Year 10,000,000)	107.7	100.5
10,000,000	Units of Rs 10 each of Aditya Birla Sun Life Fixed Term Plan-Series OX (1234 Days)-Growth-Regular Plan (Previous Year Nil)	101.7	-
2,500,000	Units of Rs 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PB (1190 Days)-Growth-Regular Plan (Previous Year Nil)	25.4	-
2,500,000	Units of Rs 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PD (1177 Days)-Growth-Regular Plan (Previous Year Nil)	25.3	-
2,500,000	Units of Rs 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PE (1159 Days)-Growth-Regular Plan (Previous Year Nil)	25.3	-
2,500,000	Units of Rs 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PH (1143 Days)-Growth-Regular Plan (Previous Year Nil)	25.2	-
10,000,000	Units of Rs 10 each of ICICI Prudential Fixed Maturity Plan-Series 80 - 1245 Days Plan L Cumulative (Previous Year 10,000,000)	107.5	100.8
2,500,000	Units of Rs 10 each of ICICI Prudential Fixed Maturity Plan-Series 82 - 1185 Days Plan A Cumulative (Previous Year Nil)	25.2	-
5,000,000	Units of Rs. 10 each of ICICI Fixed maturity plan Series 82-1236 days- plan A Cummulative (Previous Year Nil)	50.9	-
-	Units of Rs. 100 each of ICICI Prudential Flexible Income- Growth (Previous Year 321,193)	-	100.0
12,500,000	Units of Rs 10 each of IDFC Fixed Term Plan Series 131 Regular Plan - Growth (Previous Year 12,500,000)	133.5	125.2
10,000,000	Units of Rs 10 each of Kotak FMP Series 200 Growth (Regular Plan) (Previous Year 10,000,000)	107.0	100.6
10,000,000	Units of Rs 10 each of Reliance Fixed Horizon Fund - XXXIII- Series 3-Growth Plan (Previous Year 10,000,000)	107.4	100.8
10,000,000	Units of Rs 10 each of Reliance Fixed Horizon Fund - XXXIII- Series 4- Growth Plan (Previous Year 10,000,000)	107.3	100.6

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2018

(Rs. In Million)

		As at 31st March, 2018	As at 31st March, 2017
10,000,000	Units of Rs 10 each of Reliance Fixed Horizon Fund - XXXVI- Series 7- Growth Plan (Previous Year Nil)	101.6	-
2,500,000	Units of Rs 10 each of Reliance Fixed Horizon Fund - XXXV- Series 14 (1214 Days)- Growth Plan (Previous Year Nil)	25.4	-
2,500,000	Units of Rs 10 each of Reliance Fixed Horizon Fund - XXXV- Series 15 (1207 Days)- Growth Plan (Previous Year Nil)	25.4	-
10,000,000	Units of Rs 10 each of SBI Debt Fund Series - B -49 (1170 Days) - Regular Growth (Previous Year 10,000,000)	107.0	100.7
5,000,000	Units of Rs 10 each of SBI Debt Fund Series - C -7 (1190 Days) - Regular Growth (Previous Year Nil)	50.8	-
2,500,000	Units of Rs 10 each of SBI Debt Fund Series - C - 9 (1150 Days) - Regular Growth (Previous Year Nil)	25.3	-
5,000,000	Units of Rs 10 each of L&T FMP Series 16 - Plan A (1233 Days) - Growth (Previous Year Nil)	50.9	-
5,000,000	Units of Rs 10 each of UTI Fixed Term Income Fund Series - XXVII - IV (1204 Days) - Growth Plan (Previous Year Nil)	50.8	-
10,000,000	Units of Rs 10 each of UTI Fixed Term Income Fund Series - XXVI - V (1160 Days) - Growth Plan (Previous Year 10,000,000)	107.4	100.3
2,500,000	Units of Rs 10 each of UTI Fixed Term Income Fund Series - XXVI - IX (1161 Days) - Growth Plan (Previous Year Nil)	25.2	-
2,500,000	Units of Rs 10 each of UTI Fixed Term Income Fund Series - XXVIIII-IV (1190 Days) - Growth Plan (Previous Year Nil)	25.4	-
2,500,000	Units of Rs 10 each of UTI Fixed Term Income Fund Series - XXVIII (1171 Days) - Growth Plan (Previous Year Nil)	25.4	-
10,000,000	Units of Rs 10 each of DSP Black Rock FMP-Series 204 (37M)-Regular Plan-Growth (Previous Year 10,000,000)	107.2	100.7
	Total Investment at FVTPL	**1,858.4**	**1,105.3**
	Total Other Investment (a+b)	**3,089.3**	**2,179.0**
	Aggregate value of Quoted Investment	**5,366.0**	**4,849.0**
	Aggregate market value of Quoted Investment	**26,999.8**	**23,874.4**
	Aggregate value of Unquoted Investment	**2,850.5**	**2,039.1**
5 C)	**Current Investments**		
	Investments at fair value through profit or loss (FVTPL)		
	Investments in Mutual Funds / Fixed Maturity plan (FMP) - Unquoted		
254,076	Units of Rs 10 each of Axis Liquid Fund-Growth (Previous Year 205,189)	488.0	368.9
27,532	Units of Rs 1,000 each of Axis Treasury Advantage Fund - Growth (Previous Year 27,532)	53.3	50.0
1,551,663	Units of Rs 100 each of Birla Sun Life Cash Plus-Growth-Regular Plan (Previous Year 1,098,892)	431.7	286.3
47,609	Units of Rs 1,000 each of SBI Ultra Short Term Debt Fund - Regular Plan - Growth (Previous Year 47,609)	106.7	100.0
8,709	Units of Rs 10 each of SBI Magnum Insta Cash Fund-Liquid Floater-Regular Plan-Growth (Previous Year Nil)	25.1	-
7,463,652	Units of Rs.10 each of Sundaram Money Fund- Regular-Growth (Previous Year Nil)	272.4	-
1,096,193	Units of Rs 10 each of Reliance Monthly Interval Fund -Series II-Growth Plan-Growth Option (Previous Year Nil)	25.2	-

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2018

(Rs. In Million)

		As at 31st March, 2018	As at 31st March, 2017
2,500,000	Units of Rs 10 each of Kotak FMP Series 218 - Growth-Regular Plan (Previous Year Nil)	25.2	-
89,917	Units of Rs 1,000 each of L&T Liquid Fund - Regular - Growth (Previous Year 13,495)	213.6	30.0
2,116,169	Units of Rs.10 each of Reliance Quarterly Interval Fund -Series II -Direct Plan - Growth Plan (Previous Year Nil)	50.5	-
1,669,384	Units of Rs 10 each of IDFC Yearly Series Interval Fund - Regular Plan - Series II -Growth (Previous Year Nil)	25.2	-
204,747	Units of Rs 1,000 each of DSP Black Rock Liquidity Fund-Institutional Plan-Growth (Previous Year 182,440)	506.5	422.9
128,708	Units of Rs.1,000 each of Franklin India Treasury Management Account-Super Institutional Plan-Growth (Previous Year 139,352)	333.5	338.1
2,245,728	Units of Rs 10 each of Franklin India Ultra Short Bond Fund - Super Institutional Plan - Growth (Previous Year 2,245,728)	54.0	50.0
113,058	Units of Rs.1,000 each of HDFC Liquid Fund - Growth (Previous Year 140,126)	385.6	448.4
2,500,000	Units of Rs.10 each of HDFC FMP 92D February 2018 (1) -Regular-Growth- Series 39 (Previous Year Nil)	25.2	-
2,500,000	Units of Rs.10 each of HDFC FMP 92D March 2018 -Regular-Growth- Series 39 (Previous Year Nil)	25.1	-
2,135,712	Units of Rs. 100 each of ICICI Prudential Liquid Plan- Growth (Previous Year 991,583)	547.6	238.1
321,193	Units of Rs. 100 each of ICICI Prudential Flexible Income- Growth (Previous Year Nil)	107.1	-
2,500,000	Units of Rs 10 each of ICICI Prudential Fixed Maturity Plan-Series 82 - 103 Days Plan O Cumulative (Previous Year Nil)	25.2	-
183,027	Units of Rs. 1,000 each of IDFC Cash Fund -Growth-Regular Plan (Previous Year 160,001)	385.0	315.4
-	Units of Rs.10 each of JM Basic Fund - Growth (Previous Year 179,967)	-	5.0
8,269,899	Units of Rs.10 each of JM High Liquidity Fund-Growth (Previous Year 4,862,824)	391.8	215.7
72,959	Units of Rs.1,000 each of Kotak Liquid Regular Plan -Growth (Previous Year 53,415)	256.3	175.8
1,920,034	Units of Rs 10 each of Kotak Treasury Advantage Fund-Growth (Regular Plan) (Previous Year 1,920,034)	53.4	50.0
3,127,737	Units of Rs 10 each of L&T Floating Rate Fund - Growth (Previous Year 3,127,737)	53.8	50.0
101,432	Units of Rs.1,000 each of LIC Nomura Liquid Fund-Growth (Previous Year 52,225)	318.1	153.5
64,408	Units of Rs.1,000 each of Reliance Liquid Fund-Treasury Plan-Growth Plan - Growth Option (Previous Year 66,747)	271.9	264.0
7,718,670	Units of Rs.10 each of Reliance Yearly Interval Fund -Series 1 -Direct Plan - Growth Plan (Previous Year 7,718,670)	117.1	109.2
44,592	Units of Rs 1,000 each of Reliance Money Manager Fund - Growth Plan -Growth Option (Previous Year 44,592)	106.8	100.0
163,404	Units of Rs.1,000 each of SBI Premier Liquid Fund-Regular Plan-Growth (Previous Year 124,147)	443.7	316.0
-	Units of Rs.10 each of Sundaram Infrastructure Advantage Fund- Regular-Dividend (Previous Year 418,264)	-	11.6
152,467	Units of Rs.1,000 each of Tata Liquid Fund-Regular Plan-Growth (Previous Year 72,225)	486.6	215.9
140,499	Units of Rs.1,000 each of UTI Liquid Cash Plan -Institutional-Growth (Previous Year 146,862)	398.6	390.2
	Total Current Investments	**7,009.8**	**4,705.0**

* Denotes amount less than Rs. 50,000

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2018

6. LOANS -NON CURRENT

(Unsecured, considered good)

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
(a) Security Deposits	37.5	42.0
	37.5	**42.0**

6A. OTHER FINANCIAL ASSETS

(Unsecured, considered good)

(Rs. In Million)

	Non Current		Current	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
(a) Fixed Deposit	-	247.5	-	-
(b) Fixed Deposit - Margin Money	5.5	3.0	-	-
(c) Interest Receivable on Fixed Deposit - NC	1.1	7.1	23.4	68.4
	6.6	**257.6**	**23.4**	**68.4**

7. OTHER NON-CURRENT ASSETS

(Unsecured, considered good)

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
(a) Capital Advance	39.9	23.2
(b) Balances with Government Authorities		
(i) Service Tax Receivables	-	26.8
(ii) Sales Tax Receivables	133.8	133.0
(iii) Countervailing Duty Receivables	-	34.7
(iv) Excise Duty Receivables	36.0	62.2
(v) Other Receivables	5.2	13.3
	214.9	**293.2**

8. INVENTORIES

(Lower of cost and net realisable value unless stated)

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
(a) Raw materials	1,063.7	1,029.1
(b) Work in progress	1,068.1	1,088.4
(c) Finished goods	2,561.9	2,212.3
(d) Stock in Trade	117.8	128.0
(e) Stores & Spares	146.2	113.7
(f) Scrap	32.9	48.6
Total inventories	**4,990.6**	**4,620.1**
Included above, goods-in-transit:		
Raw materials	184.1	195.6
Total goods-in-transit	**184.1**	**195.6**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2018

9. TRADE RECEIVABLES - (UNSECURED)

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
Considered good	**1,749.2**	1,243.9
Considered doubtful	**52.5**	32.8
Total	**1,801.7**	**1,276.7**
Less: Allowance for Doubtful Trade Receivables	52.5	32.8
	1,749.2	**1,243.9**

Trade Receivables

The average credit period for the Company's receivables is in the range of 30 to 60 days in respect of institutional sales and upto 190 days in case of sales to government owned entities. No interest is charged on trade receivables. Of the trade receivables balance as at 31st March, 2018, 1,386.7 million (31 March, 2017 - 433.4 million) is due from Bharat Sanchar Nigam Ltd, Bharat Broadband Nigam Ltd and Telecommunication Consultants India Ltd which represents Company's large customers. Apart from the above there are no customers which individually represents more than 5% of the total balance of trade receivables.

Expected credit loss

The Company assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. Movement in the expected credit loss allowance:

(Rs. In Million)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Balance at the beginning of the year	**32.8**	30.3
Movement in the expected credit loss allowance on trade receivables	**19.7**	2.5
calculated at lifetime expected credit losses	**-**	-
Balance at the end of the year	**52.5**	**32.8**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2018

10A. CASH AND CASH EQUIVALENTS

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
(a) Balances with banks:		
In Current Accounts	**768.6**	323.8
(b) Cash on hand	**0.1**	0.2
Total Cash and Cash Equivalents	**768.7**	**324.0**

10B. OTHER BANK BALANCES

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
Other Bank Balances		
(a) In Earmarked Accounts		
Unclaimed dividend	**19.9**	16.9
(b) Fixed Deposits with maturity greater than 3 months but less than 12 months	**247.5**	1,417.5
Total other Bank balances	**267.4**	**1,434.4**

11. OTHER CURRENT ASSETS

Unsecured, considered good

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
(a) Goods & Services Tax Receivable	**212.4**	-
(b) Balances with Government authorities	**2.8**	2.8
(c) Other Advance	**74.5**	149.9
(d) Prepaid Expenses	**-**	5.9
	289.7	**158.6**

12. EQUITY SHARE CAPITAL

	As at 31st March, 2018		As at 31st March, 2017	
	Nos.	**(Rs. In Million)**	**Nos.**	**(Rs. In Million)**
I Authorised Share Capital				
235,000,000 (Previous year 235,000,000) Equity shares of Rs. 2/-each	**235,000,000**	**470.0**	235,000,000	470.0
15,000,000 (Previous year 15,000,000) Unclassified shares of Rs. 2/- each	**15,000,000**	**30.0**	15,000,000	30.0
	250,000,000	**500.0**	**250,000,000**	**500.0**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2018

	As at 31st March, 2018		As at 31st March, 2017	
	Nos.	**(Rs. In Million)**	**Nos.**	**(Rs. In Million)**
II Issued, Subscribed and Paid up Share Capital				
Equity shares of Rs. 2 each issued, subscribed and fully paid	**152,939,345**	**305.9**	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, 2018		As at 31st March, 2017	
	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.

On 28th May, 2018, the Board of Directors of the company have proposed a final dividend of Rs.4 per share in respect of the year ended 31st March, 2018 subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in a cash outflow of Rs.736.3 Million inclusive of dividend distribution tax of Rs.124.5 Million.

(c) Details of shareholders holding more than 5% Shares in the company

	As at 31st March, 2018		As at 31st March, 2017	
	No of Shares	**% Holding**	**No of Shares**	**% Holding**
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
Franklin Templeton Mutual Fund	**8,126,527**	**5.3**	8,116,709	5.3
DSP Black Rock Balanced Fund	*	*	8,083,259	5.3

Note: *Holding below 5% as at 31st March, 2018

13. OTHER EQUITY

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
(i) Securities Premium	**1,091.0**	1,091.0
(ii) Capital Reserve	**84.1**	84.1
(iii) General Reserve	**5,523.6**	5,523.6
(iv) Share buy back reserve	**55.2**	55.2
(v) Retained Earnings		
Opening Balance	**13,414.2**	9,902.6
Add: Other Comprehensive Income/(Expenses) arising from Remeasurement of Defined Benefit Obligation (Net of Tax)	**(5.0)**	(31.03)
Profit for the year	**3,301.1**	4,002.5

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2018

(Rs. In Million)

		As at 31st March, 2018	As at 31st March, 2017
Less:	Payment of Dividend	**(458.7)**	(382.4)
	Tax on Dividend	(93.4)	(77.2)
	Closing Balance	**16,158.2**	**13,414.2**
		16,158.2	**13,414.2**
(vi)	**Equity Instrument through Other Comprehensive Income**		
	Opening Balance	**934.8**	878.8
Add:	Change in Fair Value of Equity Instrument through other Comprehesive Income	**157.2**	41.9
Ad/(Less):	Deferred Tax	**(20.4)**	14.1
	Closing Balance	**1,071.6**	**934.8**
	Total	**23,983.7**	**21,102.9**

14. NON-CURRENT BORROWINGS

(Rs. In Million)

		As at 31st March, 2018	As at 31st March, 2017
(a)	Deferred Sales Tax Loan	**1.4**	3.8
(b)	Finance lease obligation	**4.1**	4.5
		5.5	**8.3**

Repayment Details of Loan

Particulars		**Repayment Schedule**
(a)	Finance lease obligation	Repayable over 79 Years, last installment in financial year 2096-97
(b)	Deferred Sales Tax Loan	Repayable in installments , last installment being 26th April, 2020.

15. PROVISIONS

(Rs. In Million)

	Non Current		Current	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Provision for Employee Benefits				
Gratuity	-	-	**16.3**	25.0
Leave Encashment	**69.7**	60.1	**26.7**	18.9
	69.7	**60.1**	**43.0**	**43.9**
Other Provision				
Provision for Warranties	-	-	**7.2**	6.8
Provision Other-Duties/Taxes	-	-	**254.5**	309.3
	-	**-**	**261.7**	**316.1**
	69.7	**60.1**	**304.7**	**360.0**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2018

15.1. MOVEMENT IN OTHER PROVISIONS

	Warranties	Other duties and taxes
Balance as at 31st March, 2016	**4.8**	**54.8**
Additional provisions recognised (Refer note 1)	2.0	254.5
Reduction arising from payments	-	-
Reduction arising from remeasurements/ settlement without cost	-	-
Balance as at 31st March, 2017	**6.8**	**309.3**
Additional provisions recognised	0.4	-
Reduction arising from payments	-	-
Reduction arising from remeasurements/settlement without cost	-	54.8
Balance as at 31st March, 2018	**7.2**	**254.5**

Note:

1. During the previous 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 through 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 had recognised a provision towards compounding charges of Rs. 254.5 million (Current year- Nil).

2. Provision for warranty claims represents estimated warranty liability for the products sold.These estimates are estiblished using historical information on the nature,frequency and average cost of warranty claims and management estimates regarding failure incidence based on corrective actions on product failure.

16A.TAX EXPENSE

1. Income Tax recognised in statement of profit and loss

(Rs. In Million)

	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Current Tax:		
In respect of current year	**1,300.0**	1,204.0
In respect of previous year	**16.6**	(123.3)
	1,316.6	1,080.7
Deferred tax:		
In respect of current year	**867.5**	(40.6)
MAT Credit (recognised) / Utilised	**6.2**	(5.7)
	873.7	(46.3)
Total Income Tax expense recognised during the year	**2,190.3**	**1,034.4**

2. Income Tax recognised in Other Comprehensive Income

(Rs. In Million)

	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Net fair value gain on investments in equity shares at FVTOCI	**(20.4)**	14.1
Total Income Tax expense recognised in other comprehensive income during the year	**(20.4)**	**14.1**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2018

3. The Income Tax expenses for the year can be reconciled to the accounting profit as follows:

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
Profit before tax and share of profit of an Associate and Joint Venture considered for tax working	**4,767.4**	4,029.6
Income Tax expense calculated at 34.61%	**1,650.0**	1,394.6
Effect of Income exempt from Tax	**(1.7)**	(1.6)
Effect of Tax incentives	**(283.8)**	(243.7)
Effect of Items that are no deductible in determining taxable profit	**20.8**	5.5
Effect of tax on other items	**54.7**	8.6
Effect of Tax on undistributed profits	**727.5**	
Adjustments recognised in the current year in relation to the current tax of prior years	**16.6**	(123.3)
MAT Credit (recognised) / written off	**6.2**	(5.7)
Income Tax expense recognised in statement of profit & loss	**2,190.3**	**1,034.4**

16B.DEFERRED TAX LIABILITIES (NET)

The following is the analysis of Deferred Tax Liability presented in the Balance Sheet:

(Rs. In Million)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Deferred tax assets	131.6	167.1
Deferred tax liabilities	(1,208.4)	(349.8)
Total - Net Deferred tax Liabilities	**(1,076.8)**	**(182.7)**

The tax effect of significant timing differences that has resulted in deferred tax liabilities are given below:

Particulars	For the year ended 31st March, 2018			
	Opening balance	Recognised in Profit and loss	Recognised in OCI	Closing balance
Deferred Tax Assets in relation to				
Employee Benefits	**51.3**	**(25.2)**	-	**26.1**
Financial assets at fair value through OCI	**14.1**		**(14.1)**	-
Allowance for Doubtful Debt	**10.5**	**6.8**	-	**17.3**
Minimum Alternate Tax (Credit)	**6.2**	**(6.2)**	-	-
Others	**85.0**	**3.2**	-	**88.2**
Total	**167.1**	**(21.4)**	**(14.1)**	**131.6**
Deferred Tax Liabilities in relation to				
Property, Plant and Equipment	**349.8**	**(24.5)**	-	**325.3**
Undistributed profits of Associate (Refer Note below)		**727.5**	-	**727.5**
Financial assets at fair value through OCI	-	-	**6.3**	**6.3**
Financial assets at fair value through Profit and loss	-	**149.3**	-	**149.3**
Total	**349.8**	**852.3**	**6.3**	**1,208.4**
Net Deferred tax Liabilities	**(182.7)**	**(873.7)**	**(20.4)**	**(1,076.8)**

Note:

During the year, the Company has assessed the recognition of a deferred tax liability on the undistributed profits of an associate. Based on such assessment, the Company has recognised deferred tax liability of Rs 727.5 million on undistributed profits of the associate as at 31st March, 2018.

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2018

Particulars	For the year ended 31st March, 2017			
	Opening balance	Recognised in Profit and loss	Recognised in OCI	Closing balance
Deferred Tax Assets in relation to				
Employee Benefits	25.2	26.1		51.3
Financial assets at fair value through OCI	-	-	14.1	14.1
Allowance for Doubtful Debt	10.5	-	-	10.5
Minimum Alternate Tax (Credit)	0.5	5.7		6.2
Others	64.0	21.0	-	85.0
Total	**100.2**	**52.8**	**14.1**	**167.1**
Deferred Tax Liabilities in relation to				
Property, Plant and Equipment	343.3	6.5	-	349.8
Total	**343.3**	**6.5**	**-**	**349.8**
Net Deferred tax Liabilities	**(243.1)**	**46.3**	**14.1**	**(182.7)**

17. OTHER NON-CURRENT LIABILITIES

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
Retention Money	-	1.9
	-	**1.9**

18. TRADE PAYABLES

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
Trade payables	**1,429.3**	1,687.5
Accrued Salaries and Benefits	**226.1**	188.9
Trade payable to Micro Small & Medium Enterprises (Refer details below)	**119.1**	6.5
	1,774.5	**1,882.9**

18.1 DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES

(a) Outstanding to suppliers other than Micro and Small Enterprises Rs. 1,655.4 million (previous year Rs. 1,876.4 million)

(b) Outstanding to Micro and Small enterprises Rs. 119.1 million (previous year Rs. 6.5 million)

(Rs. In Million)

Particulars	As at 31st March, 2018	As at 31st March, 2017
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
(a) Principal amount due to micro and small enterprise	**119.1**	6.5
(b) Interest due on above	**0.7**	0.8
	119.8	**7.3**
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.		
(a) 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.	**-**	-
(b) The amount of interest accrued and remaining unpaid at the end of each accounting year	**0.7**	0.8

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.This has been reliad upon the auditors.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2018

19. OTHER CURRENT FINANCIAL LIABILITIES

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
(a) Current Maturities of Long term Debts.		-
Deferred Sales Tax Loan	**2.5**	3.7
Finance lease obligation	**0.4**	0.4
(b) Unpaid Dividend	**19.8**	16.8
(c) Other Payables		
Deposits from Distributors	**7.2**	7.7
Other Liabilities	**0.4**	2.5
	30.3	**31.1**

20. OTHER CURRENT LIABILITIES

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
(a) Statutory Dues payable		
(i) Service Tax Payables	**-**	5.5
(ii) Sales Tax Payables	**-**	137.7
(iii) Excise Duty Payables	**-**	96.4
(iv) Goods & Services Tax Payables	**107.8**	-
(v) TDS Payables	**10.6**	8.9
(vi) Employee related dues payable	**9.8**	10.0
(b) Advance from customers	**78.9**	84.7
(c) Other payables	**0.4**	0.5
	207.5	**343.7**

21. REVENUE FROM OPERATIONS:

(Rs. In Million)

	Year Ended 31st March, 2018	Year Ended 31st March, 2017
(a) Sale of Products (including excise duty)	**28,387.3**	26,477.0
(b) Other operating revenue-Sale of scrap	**455.0**	230.5
	28,842.3	**26,707.5**

Note:

(i) Consequent to introduction of Goods and Service Tax (GST) with effect from 1st July, 2017, Central Excise, Value Added Tax (VAT) etc. have been subsumed to GST. In accordance with Ind AS -18 on Revenue and Schedule III of the Companies Act, 2013, unlike Excise Duties, levies like GST, VAT are not part of Revenue.

(Rs. In Million)

	Year Ended 31st March, 2018	Year Ended 31st March, 2017
(ii) Sale of Products includes:		
Sale of Manufactured products	**27,177.1**	23,877.0
Sale of Traded Goods	**519.1**	340.9
Excise Duty Collected from Customers	**691.1**	2,259.1
Total	**28,387.3**	**26,477.0**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2018

22. OTHER INCOME:

(Rs. In Million)

	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Interest income on financial assets carried at amortised cost	86.1	143.0
Dividend from Equity Investments Designated at FVTOCI	5.1	4.5
Other Non operating Income		
(I) Net gain/(loss) on investments classified at FVTPL	472.6	341.6
(II) Net gain on disposal of property, plant and equipment	-	0.8
(III) Gain From Exchange difference	12.7	12.2
(IV) Other Income	235.3	91.4
	811.8	**593.5**

23. COST OF MATERIAL CONSUMED

(Rs. In Million)

	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Inventory at the beginning of the year	1,029.1	896.5
Add: Purchases	20,334.4	18,252.2
Less: Inventory at the end of the year	1,063.7	1,029.1
	20,299.8	**18,119.6**

24. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK-IN-PROGRESS

(Rs. In Million)

	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Inventories at the end of the period (A)		
Work-in-progress	1,068.1	1,088.4
Finished goods	2,561.9	2,212.3
Stock-in-Trade	117.8	128.0
	3,747.8	**3,428.7**
Inventories at the beginning of the period (B)		
Work-in-progress	1,088.4	839.4
Finished goods	2,212.3	1,352.1
Stock-in-Trade	128.0	53.9
(Increase)/Decrease in Inventories (B)-(A)	**3,428.7**	**2,245.4**
	(319.1)	**(1,183.3)**

25. EMPLOYEE BENEFITS EXPENSES

(Rs. In Million)

	Year Ended 31st March, 2018	Year Ended 31st March, 2017
(a) Salaries, wages and bonus	946.5	838.1
(b) Contribution to provident and other funds	61.8	54.6
(c) Gratuity expense	14.5	10.9
(d) Leave Encashment	34.2	29.3
(e) Staff welfare expenses	297.6	259.0
	1,354.6	**1,191.9**

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2018

26. FINANCE COSTS

(Rs. In Million)

	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Interest on debts and borrowings	0.2	42.9
Interest others	14.2	-
	14.4	42.9

27. DEPRECIATION AND AMORTIZATION EXPENSES

(Rs. In Million)

	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Depreciation on Tangible assets (note 3)	435.9	478.8
Amortization of Intangible assets (note 4)	2.1	1.5
	438.0	480.3

28. OTHER EXPENSES

(Rs. In Million)

	Year Ended 31st March, 2018	Year Ended 31st March, 2017
(a) Consumption of stores and spares	314.1	229.9
(b) Power and fuel	474.7	434.8
(c) Freight and forwarding charges	450.4	416.0
(d) Rent	51.4	44.7
(e) Rates and taxes	15.0	14.7
Provision Other-Duties/Taxes	(54.8)	254.5
(f) Insurance	19.0	10.9
(g) Repairs and maintenance -		
(i) Plant and machinery	33.0	23.3
(ii) Buildings	8.8	12.9
(iii) Others	36.0	36.7
(h) CSR expenditure	46.0	15.8
(i) Advertising and sales promotion	255.8	173.5
(j) Travelling and conveyance	91.8	87.6
(k) Communication costs	11.9	11.8
(l) Legal and professional fees	53.4	42.2
(m) Directors' sitting fees & Commission	10.7	7.1
(n) Payment to auditor (Refer Note 28.1 below)	8.4	5.6
(o) Warranty Costs (net of reversal)	0.4	2.0
(p) Allowances for doubtful debts and advances	19.7	2.5
(q) Miscellaneous expenses (refer note 28.2 below)	181.9	200.4
(r) Bad Debts	19.2	1.7
	2,046.8	2,028.6

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2018

Notes:

28.1.Payment to Auditors

(Rs. In Million)

Particulars	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Audit Fees	**4.1**	3.4
For other service (certifications, etc)	**3.4**	1.2
For reimbursement of expenses	**0.4**	0.2
For taxation matters	**0.5**	0.8
Total	**8.4**	**5.6**

28.2. Miscellaneous expenses includes Donation to political party Rs 1.5 million during the previous year (Current year- Nil)

29. CONTINGENT LIABILITIES AND COMMITMENTS

(a) Contingent Liabilities

Claims against the company not acknowledged as debts

(Rs. In Million)

		As at 31st March, 2018	As at 31st March, 2017
I	**Disputed Tax Matters / Derivative transactions/others**		
	Excise	**410.4**	200.5
	Customs	**13.4**	13.4
	Sales Tax (Including Entry Tax)	**1,375.1**	790.9
	Income Tax (Including Wealth Tax)- wherein the Company is in Appeal	**146.5**	74.4
	Income Tax (Including Wealth Tax)- wherein the Department is in Appeal	**305.1**	66.6
	Share of Associate	**231.2**	179.4
	Others -Share of Joint Venture	**39.6**	39.6
	Amounts claimed by bank in respect of derivative transactions which are under dispute- Share of Associate	**437.3**	437.3
II	Other claims against the Company not acknowledged as debts	**2.8**	2.8
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 / eight times of duty saved on capital goods Imported under the policy to be fulfilled in six / eight years from authorization issue date. As at 31st March, 2018, the export obligation amounting Rs. 1,047.9 million (previous year Rs. 1,047.9 million) has not been fulfilled by the Company and hence as per the policy, the Company may have to pay the duty saving amount to Rs. 68.5 million (previous year Rs. 144.7 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 fullfil such export obligation (most of which are due within 12 month from Balance Sheet date). In the regards, the Company has in the past obtained extension of further 2 years from Director General of Foreign Trade and in certain cases applied for further extension. Considering the future export plans,expected extension of the fulfillment period and likely policy relaxations management has assessed the need for providing the same and has concluded no provision is required to be made on this account in the financial statements.	**68.5**	144.7
	Share of Joint Ventures	**54.1**	72.0

IV Financial Support

In respect of Finolex J Power Systems Private Limited (Joint Venture) whose net worth has been substantially eroded, the Company along with its joint venture partner has committed to provided financial support to the joint venture as and when required.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2018

(b) Capital Commitments

(Rs. In Million)

	As at 31st March, 2018	As at 31st March, 2017
Estimated amount of contracts remaining to be executed on capital account and not provided for.	**160.0**	250.0
Share of Joint Ventures	**1.3**	0.5
Share of Associate	**128.7**	190.7

Note:

Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.

30. EMPLOYEE BENEFIT PLAN

1. Defined Contribution plan

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution retirement benefit plans for eligible employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions as specified under the law/scheme and are paid to the Government administered Provident fund and in case of Superannuation to the Scheme set up as trust by the Company. Insurer.The Company is liable only for annual contributions.

The Company has recognised Rs 43.3 million (31st March, 2017 - Rs 39.2 million) for provident fund contributions and Rs 18.5 million (31st March, 2017 - Rs 15.4 million) for superannuation contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

2. Defined Benefit plan

Gratuity-Funded

The Company has a defined benefit gratuity plan. The gratuity plan is primarily governed by the Payment of Gratuity Act,1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The level of benefits provided depends on the member's length of service and salary at the retirement date. The gratuity plan is funded plan. The fund has the form of a trust and is governed by Trustees appointed by the Company. The Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy in accordance with the regulations. The funds are deployed in recognised insurer managed funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimates of expected gratuity payments.

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, 2018	**As at 31st March, 2018**	**As at 31st March, 2017**
Present value of obligations at the beginning of the year	**162.6**	136.1
Interest Cost	**11.7**	11.0
Current service cost	**12.6**	10.1
Benefits paid from the Fund	**(13.6)**	(13.1)
Actuarial (gain)/loss on obligations	**3.3**	18.5
Present Value of obligations as at end of the year	**176.6**	162.6

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2018

Statement showing changes in Present Value of obligations as on 31st March, 2018	As at 31st March, 2018	As at 31st March, 2017
Table showing changes in the fair value of plan assets as on 31st March 2018		
Fair value of plan assets at the beginning of the year	**137.6**	126.5
Expected return on plan assets	**8.8**	11.2
Contributions	**26.4**	12.8
Benefits paid	**(13.6)**	(13.1)
Return on Plan Assets, Excluding Interest Income	**1.1**	0.2
Fair value of plan asset at end of the year	**160.3**	137.6
Funded status	**91%**	**85%**
Actuarial (gain)/Loss recognised		
Actuarial (gain)/Loss for the year - obligation	**3.3**	18.5
Actuarial (gain)/Loss for the year - plan assets	**(1.2)**	(0.2)
Total (gain)/Loss for the year	**2.1**	18.3
Actuarial (gain)/Loss recognised in the year	**2.1**	**18.3**
Amounts to be recognised in the Balance Sheet		
Present Value of obligations as at the end of the year	**(176.6)**	(162.6)
Fair value of plan assets as at the end of the year	**160.3**	137.6
Funded Status	**(16.3)**	(25.0)
Net Asset/(Liability) recognised in balance sheet	**(16.3)**	**(25.0)**
Expenses Recognised in statement of Profit & Loss Account		
Current Service Cost	**12.6**	10.1
Interest Cost	**1.9**	0.8
Expected return on plan assets	**-**	-
Net Actuarial(gain)/Loss recognised in the year	**-**	-
Expenses recognised in statement of Profit & Loss	**14.5**	**10.9**
Expenses Recognised in Other Comprehensive Income		
Acturial (Gains)/Losses on obligation for the period	**3.3**	18.5
Return on Plan Assets, Excluding Interest Income	**(1.2)**	(0.2)
Expenses recognised in Other Comprehensive Income	**2.1**	**18.3**
Table showing administration of Plan Assets		
Administered by Life Insurance Corporation	**160.3**	137.6
Total	**160.3**	**137.6**
Actuarial Assumptions:		
Discounted Rate	**7.6%**	7.2%
Rate on return on assets	**7.6%**	7.2%
Salary escalation	**7.0%**	7.0%
Attrition rate (p.a)		
- For service 2 years & below	**25.0%**	15.0%
- For service 3 to 4 years	**12.5%**	15.0%
- For service 5 year & above	**5.0%**	1.0%
Mortality	Indian Assured Lives Mortality (2006-08)Ultimate	

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2018

	As on 31st March				
	2018	2017	2016	2015	2014
Experience adjustments					
On plan liability (gain)/loss	**3.3**	18.5	(5.2)	(17.5)	4.6
On plan asset (gain)/loss	**(1.2)**	(0.2)	1.8	(0.4)	(1.0)

As per actuarial valuation report, Expected employer's contribution in next year is Rs. 17.2 million (previous year Rs. 26.02 million)

Effect on DBO on account of 0.5 % change in the assumed rates:

DBO Rates Types	Discount Rate		Salary Escalation Rate		Withdrawal Rate	
Quarter/Year	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
	Increase	Decrease	Increase	Decrease	Increase	Decrease
31 - Mar-18	(11.3)	12.9	12.8	(11.4)	0.3	(0.4)
31 - Mar-17	(15.4)	18.3	18.1	(15.6)	0.1	(0.2)

The sensitivity results above determine their individual impact on Plan's end of year Defined Benefit Obligation. In reality, the plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time.

The expected maturity analysis of undiscounted defined benefit obligation is as follows:

	31st March, 2018	31st March, 2017
Within 1 Year	**20.6**	12.1
Between 1-2 years	**16.3**	8.3
Between 2-3 years	**17.1**	10.6
Between 3-4 years	**14.3**	7.7
Between 4-5 years	**13.4**	6.1
Beyond 5 Years	**264.8**	373.1
Total	**346.5**	**417.9**

Risk exposure

Through it defined benefit plan, the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset Volatility:

The plan liabilties are calculated using a discount rate set with reference to government bond yield. If plan assets underperform this yield, it will result in deficit.These are subject to interest rate risk. To offset the risk the plan assets have been deployed in high grade insurer managed funds.

Inflation rate risk:

Higher than expected increase in salary and medical cost will increase the defined benefit obligation.

Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligations is not straightforward and depends upon the combination of salary increase, discount rate and vesting criterion.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2018

31. FINANCIAL INSTRUMENTS

1. Fair value measurements

1.1. The carrying value and fair value of financial instruments by categories as of 31 March, 2018 is as follows:

(Rs. In Million)

	Fair value through P&L	Fair value through OCI	Amortised cost	Total carrying value	Total fair value
Assets:					
Cash and cash equivalents	-	-	768.7	768.7	768.7
Other balances with banks	-	-	267.4	267.4	267.4
Trade receivables	-	-	1,749.2	1,749.2	1,749.2
Investments					
Equity and Others	-	1,230.9	-	1,230.9	1,230.9
Mutual Funds (includes FMP)	8,868.2	-	-	8,868.2	8,868.2
Loans	-	-	37.5	37.5	37.5
Other financial assets	-	-	30.0	30.0	30.0
Total	**8,868.2**	**1,230.9**	**2,852.8**	**12,951.9**	**12,951.9**
Liabilities:					
Trade payables	-	-	1,774.5	1,774.5	1,774.5
Borrowings	-	-	5.5	5.5	5.5
Other financial liabilities	-	-	30.3	30.3	30.3
Total	**-**	**-**	**1,810.3**	**1,810.3**	**1,810.3**

The carrying value and fair value of financial instruments by categories as of 31st March, 2017 is as follows:

(Rs. In Million)

	Fair value through P&L	Fair value through OCI	Amortised cost	Total carrying value	Total fair value
Assets:					
Cash and cash equivalents	-	-	324.0	324.0	324.0
Other balances with banks	-	-	1,434.4	1,434.4	1,434.4
Trade receivables	-	-	1,243.9	1,243.9	1,243.9
Investments					
Equity and Others	-	1,073.7	-	1,073.7	1,073.7
Mutual Funds (includes FMP)	5,810.3	-	-	5,810.3	5,810.3
Loans	-	-	42.0	42.0	42.0
Other financial assets	-	-	326.0	326.0	326.0
Total	**5,810.3**	**1,073.7**	**3,370.3**	**10,254.3**	**10,254.3**
Liabilities:					
Trade payables	-	-	1,882.9	1,882.9	1,882.9
Borrowings	-	-	8.3	8.3	8.3
Other financial liabilities	-	-	31.1	31.1	31.1
Total	**-**	**-**	**1,922.3**	**1,922.3**	**1,922.3**

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2018

1.2. Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. This includes quoted equity instruments, government securities and mutual funds (includes FMP) that have quoted price.

Level 2 Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) such as derivative financial instruments. The Company does not have any Level 2 instruments as at 31st March 2018 and 2017.

Level 3 Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This includes unquoted equity shares.

(Rs. In Million)

	Fair value hierarchy as at 31st March, 2018			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Mutual Funds (includes FMP)	8,868.2	-	-	8,868.2
Equity Shares				
Quoted	822.4	-	-	822.4
Unquoted	-	-	408.5	408.5
Total	**9,690.6**	**-**	**408.5**	**10,099.1**

(Rs. In Million)

	Fair value hierarchy as at 31st March, 2017			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Mutual Funds (includes FMP)	5,810.3	-	-	5,810.3
Equity Shares				
Quoted	665.2	-	-	665.2
Unquoted	-	-	408.5	408.5
Total	**6,475.5**	**-**	**408.5**	**6,884.0**

Valuation technique(s) and key input(s):

Level 1 The fair value of mutual funds (includes FMP) and quoted equity shares is based on quoted price.

Level 2 The Company does not have any Level 2 instrument as at 31st March, 2018 and 2017.

Level 3 The fair value of unquoted equity shares is determined using market approach.This approach involves the application of multiples, derived from market prices of comparable listed companies, to the parameters of the subject company in order to derive a value for the subject company.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2018

1.3. Reconciliation of level 3 fair value measurements

For the year ended 31st March, 2018	Unlisted shares irrevocably designated as at FVTOCI
Opening balance	1,073.7
Total Gain in other comprehensive income	157.2
Held for sale/Disposals/Settlements	-
Closing balance	**1,230.9**

For the year ended 31st March, 2017	Unlisted shares irrevocably designated as at FVTOCI
Opening balance	1,031.8
Total Gain in other comprehensive income	41.9
Held for sale/Disposals/Settlements	-
Closing balance	**1,073.7**

All gains and losses included in other comprehensive income relate to unlisted shares held at the end of the reporting period and are reported under "Equity Instruments through Other Comprehensive Income".

2. Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The capital structure is as follows:

Particulars	31st March, 2018	31st March, 2017
Total Equity	**24,289.6**	21,408.8
Total Borrowings	**8.4**	12.4
Total capital (borrowings and equity)	**24,298.0**	21,421.2
Equity as a percentage of total capital	**99.97%**	99.94%
Borrowing as a percentage of total capital	**0.03%**	0.06%

(i) Debt is defined as long-term borrowings (including current maturities) and short-term borrowings (excluding contingent considerations (if any)).

(ii) Equity is defined as Equity share capital and other equity including reserves and surplus.

The Company is predominantly equity financed which is evident from the capital structure table. Further, the Company has always been a net cash Company with cash and bank balances along with investment which is predominantly investment in liquid and short term mutual funds being far in excess of debt.

3. Financial risk management

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity, which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

3.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2018

3.1.1 Foreign currency risk management

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar and Euro against the respective functional currency of the company. The Company enters into derivative financial instruments such as foreign exchange forward to mitigate the risk of changes in exchange rates on foreign currency exposures.

The carrying amounts of the Company's foreign currency denominated monetary liabilities/ assets at the end of the reporting period are as follows:

	31st March, 2018		31st March, 2017	
Foreign Currency Liabilities	Foreign Currency (in millions)	Rs. In Million	Foreign Currency (in millions)	Rs. In Million
In USD	**5.1**	**332.3**	6.5	422.1
In EURO	*	**1.5**	0.1	4.3

	31st March, 2018		31st March, 2017	
Foreign Currency Asset	Foreign Currency (in millions)	Rs. In Million	Foreign Currency (in millions)	Rs. In Million
In USD	**1.5**	**94.7**	1.1	71.3

Of the above foreign currency exposures, the following exposures are not hedged:

	31st March, 2018		31st March, 2017	
Foreign Currency Liabilities	Foreign Currency (in millions)	Rs. In Million	Foreign Currency (in millions)	Rs. In Million
In USD	**3.2**	**208.5**	3.0	203.2
In EURO	*	**1.5**	0.1	4.3

* Denotes amount less than EURO 50,000

(a) Foreign currency sensitivity analysis

For the year ended March 31, 2018 and March 31, 2017, the impact of every rupee 1 depreciation / appreciation in the exchange rate between the Indian Rupee and U.S. Dollar on Profit before tax of the Company, given in below table.

	As of 31st March, 2018		As of 31st March, 2017	
	Rupee depreciate by INR 1 against USD	Rupee appreciate by INR 1 against USD	Rupee depreciate by INR 1 against USD	Rupee appreciate by INR 1 against USD
On Foreign Currency Liabilities (net) (Refer Note 2 below)	**(3.6)**	**3.6**	(5.5)	5.5

Notes:

1) +/- Gain/Loss

2) The impact of depreciation/ appreciation on foreign currency other than U.S.Dollar on profit before tax of the Company is not material.

3.1.2 Interest rate risk management

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.Considering borrowing amount outstanding as at 31st March 2018 and as at 31st March 2017, Company is not exposed to significant interest rate risk.

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2018

3.2. Credit risk management

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, loans, cash and cash equivalents, other balances with banks and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units (including FMP), quoted bonds issued by government and quasi government organizations for specified time period.

The Company takes on exposure to credit risk,which is the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. Financial asset that potentially expose the Company to credit risks are listed below:

(Rs. In Million)

	31st March, 2018	31st March, 2017
Trade Receivables	**1,749.2**	1,243.9
Loan	**37.5**	42.0
Total	**1,786.7**	**1,285.9**

3.3. Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The maturity profile of the financial liabilities are listed below:

Expected contractual maturity for Financial Liabilities

(Rs. In Million)

	Up to 1 year	1 to 3 years	3-5 years	Beyond 5 years	Total	Carrying Amount
31st March, 2018						
Borrowings	2.9	2.6	1.2	1.7	8.4	8.4
Trade Payables	1,774.5	-	-	-	1,774.5	1,774.5
Other Financial Liabilities	27.4	-	-	-	27.4	27.4
Total	**1,804.8**	**2.6**	**1.2**	**1.7**	**1,810.3**	**1,810.3**
31st March, 2017						
Borrowings	4.1	3.6	1.2	3.5	12.4	12.4
Trade Payables	1,882.9	-	-	-	1,882.9	1,882.9
Other Financial Liabilities	27.0	-	-	-	27.0	27.0
Total	**1,914.0**	**3.6**	**1.2**	**3.5**	**1,922.3**	**1,922.3**

The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments.

3.4. Financing Facilities

As at 31st March, 2018, the Company has available Rs. 2,000.0 million (31st March 2017: Rs. 2,000.0 million) of undrawn committed borrowing facilities.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2018

32. RELATED PARTY DISCLOSURES

Names of Related Parties :

Where transactions have taken place during the year and previous year/ balance outstanding.

(a) Associate Company

Finolex Industries Limited

(b) Joint Venture Entities

Finolex J- Power Systems Private Limited

Corning Finolex Optical Fibre Private Limited

(c) Promotor Group Entities

Orbit Electrical Private Limited

Finolex Infrastructure Limited

Finolex Plassson Industries Private Limited

Magnum Machines Technologies Limited

(d) Enterprises controlled by KMP; (Mr. P. G. Pawar)

Sakal Media Private Limited

Sakal India Foundation

Sakal Relief Fund

(e) Employee Benefit Funds

Finolex Cables Ltd. Employee's Group Gratuity Scheme

Finolex Cables Ltd. Group Superannuation Scheme

(f) Key Management Personnel

Mr. D. K. Chhabria	Executive Chairman and Promotor
Mr. Mahesh Viswanathan	Deputy Managing Director and Chief Financial Officer
Mr. R G D'Silva	Company Secretary & President (Legal)
Dr.H.S.Vachha	Independent Non-Executive Director
Mr. Sanjay K.Asher	Independent Non-Executive Director
Mr. P.G. Pawar	Independent Non-Executive Director
Mr. Pradeep R. Rathi	Independent Non-Executive Director
Mrs. Namita Thapar	Non-Executive Director
Mr. Shishir Lall (w.e.f. 30-05-2017)	Independent Non-Executive Director
Mr. Atul C Choksey (upto 4-11-2016)	Independent Non-Executive Director
Mr. Adi. J. Engineer (upto 30-05-2017)	Independent Non-Executive Director
Mr. S. B. (Ravi) Pandit (upto 31-05-2017)	Independent Non-Executive Director
Mr. Sumit N. Shah (From 14-2-2017 to 28-09-2017)	Independent Non-Executive Director

(g) Relatives of Key Management Personnel; (Mr. D. K. Chhabria)

Mr. Kishandas. P. Chhabria	Father
Mr. Vijay. K. Chhabria	Brother
Mrs. Sunita. K. Chhabria	Mother
Mrs. Vini. D. Chhabria	Wife
Ms. Radhika. D. Chhabria	Daughter

Notes to the Consolidated Financial Statements

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(A) Transaction with Related Parties

(Rs. In Million)

Particulars	Financial Year	Associate Company	Joint Venture Entities	Promotor Group Entities	Enterprises controlled by KMP	Employee Benefit Funds	Key Management Personnel *	Relatives of Key Management Personnel
Investment	2017-18	-	159.3	-	-	-	-	
	2016-17	-	196.0	-	-	-	-	
Dividend paid	2017-18	66.6	-	140.9	-	-	2.8	8.2
	2016-17	55.5	-	117.4	-	-	2.3	6.8
Dividend received	2017-18	462.2	-	2.0	-	-	-	
	2016-17	401.9	-	2.5	-	-	-	
Rent paid	2017-18	-	-	2.5	-	-	-	
	2016-17	-	-	2.1	-	-	-	
Rent Received	2017-18	-	2.0	0.6	-	-	-	
	2016-17	-	2.3	0.6	-	-	-	
Advertising & Sales Promotion	2017-18	-	-	-	15.8	-	-	
	2016-17	-	-	-	-	-	-	
Purchases of Property Plant Equipment	2017-18	-	-	0.1	-	-	-	
	2016-17	-	-	1.3	-	-	-	
Contribution to fund	2017-18	-	-	-	-	44.9	-	
	2016-17	-	-	-	-	28.2	-	
Refund received from fund	2017-18	-	-	-	-	18.5	-	
	2016-17	-	-	-	-	15.4	-	
Corporate Social Responsibility	2017-18	-	-	-	10.0	-	-	
	2016-17	-	-	-	-	-	-	
Managerial remuneration	2017-18	-	-	-	-	-	158.4	
	2016-17	-	-	-	-	-	139.4	
Amounts owed by related parties (Receivable)	2017-18	-	1.9	2.5	-	-	-	
	2016-17	4.4	0.4	2.5	-	-	-	
Amounts owed to related parties (payable)	2017-18	-	-	-	-	16.3	122.0	
	2016-17	6.0	-	-	-	25.0	107.6	

Note:

*Key managerial Personnel are entitled to post- employment benefits recognised as per IND-AS 19-'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of acturial valuation, the same is not included above.

33. SEGMENT REPORTING

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.

A. 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 - Electrical Products and Appliances

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2018

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".

(Rs. In Million)

Particulars	31st March, 2018	31st March, 2017
Segment Revenue		
A. Electrical cables	**23,061.6**	21,778.1
B. Communication cables	**4,769.3**	3,685.1
C. Copper rods	**9,043.2**	5,135.0
D. Others	**599.1**	413.8
Total segment revenue	**37,473.2**	**31,012.0**
Less : Inter segment revenue	**(8,444.8)**	(4,304.5)
Net segment revenue	**29,028.4**	**26,707.5**
Segment Results		
A. Electrical cables	**3,761.3**	3,313.5
B. Communication cables	**467.2**	333.6
C. Copper rods	**96.5**	16.3
D. Others	**(100.1)**	(158.1)
Total segment results	**4,224.9**	**3,505.3**
(Less) : Finance costs	**(14.4)**	(42.9)
Add /(Less) : unallocable income/(Loss) net of unallocable expenditure	**556.9**	567.1
Add /(Less) : Share of Profit of Associate &JV Accounted for using the equity method	**724.0**	1,007.3
Profit before tax	**5,491.4**	**5,036.8**
Income Taxes	**2,190.3**	**1,034.4**
Profit for the year	3,301.1	**4,002.4**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2018

OTHER INFORMATION

(Rs. In Million)

Particulars	31st March, 2018	31st March, 2017
Segment Assets		
A. Electrical cables	**7,822.1**	7,785.7
B. Communication cables	**2,923.0**	2,137.0
C. Copper rods	**386.4**	317.5
D. Others	**292.6**	347.7
Unallocable Assets	**16,414.5**	13,808.0
Total Assets	**27,838.6**	**24,395.9**
Segment Liabilities		
A. Electrical cables	**1,994.7**	2,184.0
B. Communication cables	**247.6**	400.9
C. Copper rods	**58.2**	34.9
D. Others	**63.9**	39.3
Unallocable Liabilities	**1,184.6**	328.0
Total Liabilities	**3,549.0**	**2,987.1**

FOR THE YEAR ENDED 31st MARCH, 2018

(Rs. In Million)

Particulars	Capital Expenditure	Depreciation	Non cash Expenditure other than Depreciation to the extend allocable to the segment
A. Electrical cables	**294.4**	**372.7**	
B. Communication cables	**38.0**	**48.2**	**19.7**
C. Copper rods	**0.2**	**6.9**	
D. Others	**36.8**	**10.2**	
Total	**369.4**	**438.0**	**19.7**

FOR THE YEAR ENDED 31st MARCH, 2017

(Rs. In Million)

Particulars	Capital Expenditure	Depreciation	Non cash Expenditure other than Depreciation to the extend allocable to the segment
A. Electrical cables	338.0	403.1	254.5
B. Communication cables	5.7	60.7	2.5
C. Copper rods	0.1	0.2	-
D. Others	8.7	16.3	-
Total	**352.5**	**480.3**	**257.0**

Reconciliation of Revenue

(Rs. In Million)

Particulars	31st March, 2018	31st March, 2017
Revenue from operation	**28,842.3**	26,707.5
Add: Miscellaneous Income (Included in Other Income)	**186.1**	-
Total Segment revenue as reported above	**29,028.4**	**26,707.5**

B. Secondary Segment information

The company's operations are mainly confined within India and as such there are no reportable geographical segments.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2018

34. EARNINGS PER SHARE (EPS)

(Rs. In Million)

Basic earning per share	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Net Profit for the year attributable to the equity holders	**3,301.1**	**4,002.4**
Weighted average number of Equity shares for basic EPS	**152,939,345**	152,939,345
Par value per share (in Rs.)	**2.0**	2.0
Basic Earnings per share (in Rs.)	**21.6**	26.2
Diluted Earnings per share (in Rs.)	**21.6**	26.2

Note: The Company does not have any dilutive potential equity shares in any of the period's , therefore weighted average number of equity shares outstanding at the year end for basic EPS and diluted EPS is same.

35. STATEMENT OF NET ASSETS AND PROFIT AND LOSS ATTRIBUTABLE TO OWNERS

Name of the Entity	Net Asset i.e (Total asset minus total Liabilities)		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated Net Asset	Rs Amt (in Million)	As % of consolidated profit	Rs Amt (in Million)	As % of consolidated Other comprehensive income	Rs Amt (in Million)	As % of consolidated Total comprehensive income	Rs Amt (in Million)
Finolex Cables Ltd	69.5%	21,939.0	80.1%	3,582.0	10.7%	134.7	64.9%	3,716.7
Associates								
Finolex Industries Ltd.*	28.7%	9,053.4	22.2%	992.2	89.3%	1,122.0	36.9%	2,114.2
Joint Ventures								
Finolex J Power Systems Pvt Ltd.	1.6%	512.8	-3.6%	-161.0	-	-	-2.8%	(161.0)
Corning Finolex Optic Fibre Pvt Ltd.	0.2%	70.8	1.3%	56.6	-	-	1.0%	56.6
Total	**100%**	**31,576.0**	**100%**	**4,469.8**	**100%**	**1,256.7**	**100%**	**5,726.5**
Adjustments arising from consolidation		(7,286.4)		(1,168.7)		(1,124.9)		(2,293.6)
Consolidated Net Assets/ Profit after tax		**24,289.6**		**3,301.1**		**131.8**		**3,432.9**

*includes fair value gain in respect of investments held in the Company by the Associate

36. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed.

For **and behalf of Board of Directors of Finolex Cables Limited**

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 46930

Mumbai : 28th May, 2018

D. K. Chhabria
Executive Chairman

P. G. Pawar

Mahesh Viswanathan
Dy. Managing Director & Chief Financial Officer

Shishir Lall

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

Namita Thapar

Pune : 28th May, 2018

FORM AOC 1

Statement containing salient features of the financial statement of subsidiaries/Associate Companies

Part "A": Subsidiaries

The Company has no subsidiaries

Part "B": Associates and Joint Ventures

(Rs. In Million)

Name of Associates or Joint Ventures	**Finolex Industries Ltd (FIL)**	**Finolex J-Power Systems Pvt.**	**Corning Finolex Optical Fibre Pvt.**
	Associate	**Joint Venture**	**Joint Venture**
1. Latest audited Balance Sheet Date	31st March, 2018	31st March, 2018	31st March, 2018
2. Date on which the Associate or Joint Venture was associated or acquired	31st March,1989	15th May, 2008	17th September, 2014
3. Shares ofAssociates or Joint Ventures held by the company on the year end			
No. of shares	40,192,597	133,770,000	1,750,000
Amount on Investment in Associates or Joint Ventures	1,518.5	1,337.7	17.5
Extent of Holding %	32.39%	49%	50%
4. Description of how there is significant influence	There is significant influence due to shareholding	There is significant influence due to joint control over the economic activities	
5. Reason why the Associate or Joint Venture is not consolidated	N.A.	N.A.	N.A.
6. Networth attributable to shareholding as per audited Balance Sheet	**9,053.4**	**312.8**	**70.8**
7. Profit /(Loss) for the Year *			
i. Considered in Consolidation	3,054.6	(320.6)	113.2
ii. Not Considered in Consolidation	919.7	(161.1)	56.6

Note:

* In respect of FIL Profit for the year excludes fair value gain booked in respect of FIL holding in the Company.

Notice

NOTICE is hereby given that the Fiftieth Annual General Meeting of Members of Finolex Cables Limited will be held on Tuesday, 25th September, 2018 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 audited consolidated financial statements) of the Company for the financial year ended 31st March, 2018 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, 2018.

3. To appoint a Director in place of Mrs. Namita V. Thapar, Woman Director [DIN: 05318899], who retires by rotation at this meeting, but though eligible, does not offer herself for reappointment.

4. To appoint a Director in place of Mr. Mahesh Viswanathan [DIN: 02780987], who retires by rotation, and being eligible, offers himself for reappointment.

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

   "RESOLVED THAT pursuant to the provisions of Section 139 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 and the Board of Directors of the Company (the "Board") the Company hereby ratifies the appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, [Firm Registration No. 117366W / W100018], as the Statutory Auditors of the Company to hold office from the conclusion of the Fiftieth Annual General Meeting till the conclusion of the Fifty-First Annual General Meeting of the Company to be held in the financial year 2019-20 on such remuneration and reimbursement of out-of-pocket expenses (including travelling and living expenses, etc.) as shall be mutually agreed to between the Board and the Statutory Auditors plus taxes extra, as applicable.

   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

6. To consider, and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee, the approval of the Board of Directors of the Company (the "Board") and pursuant to the provisions of: Section 196, 197 and other applicable provisions if any, of the Companies Act, 2013, (the "Act"), the relevant Rules made thereunder, read with Schedule V of the Act, as amended, and subject to the limits prescribed under the Act, and also subject to such approvals as may be necessary, the Company hereby approves the reappointment of Mr. D. K. Chhabria [DIN: 01403799] as a whole time Director of the Company designated as "Executive Chairman" or at any other designation such that he will be the Chief Executive Officer of the Company under the legislation applicable from time to time, for a period of five years with effect from 1st July, 2018 to 30th June, 2023 upon terms and conditions including remuneration to be paid in case of absence or inadequacy of profits, as set out in the draft Agreement to be entered into between the Company and Mr. D. K. 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 to at any time alter and vary the terms and conditions of the Agreement including remuneration to be paid to him, including in case of absence or inadequacy of profits, in such manner as may be agreed to between the Board and Mr. D. K. Chhabria but so as not to exceed the limits as may be prescribed from time to time under the Act and/or any Rule(s)/Schedule(s) thereto.

   AND RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, usual, proper or expedient to give effect to the aforesaid resolution."

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

   "RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee, the approval of the Board of Directors of the Company (the "Board") and pursuant to the provisions of: Section 196, 197 and other applicable provisions if any, of the Companies Act, 2013, (the "Act") the relevant Rules made thereunder, read with Schedule V of the Act, as amended, and subject to the limits prescribed under the Act, and also subject to such approvals as may be necessary, the Company hereby approves the reappointment of Mr. Mahesh Viswanathan [DIN: 02780987] as a whole time Director of the Company designated as "Deputy Managing Director & Chief Financial Officer" for a period of five years with effect from 1st July, 2018 to 30th June, 2023 upon terms and conditions including remuneration to be paid in case of absence or inadequacy of profits, as set out in the draft Agreement to be entered into between the Company and Mr. Mahesh Viswanathan 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 to at any time alter and vary the terms and conditions of the Agreement including remuneration to be paid to him, including in case of absence or inadequacy of profits, in such manner as may be agreed to between the Board and Mr. Mahesh Viswanathan but so as not to exceed the limits as may be prescribed from time to time under the Act and/or any Rule(s)/Schedule(s) thereto.

AND RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, usual, proper or expedient to give effect to the aforesaid resolution."

8. To ratify the remuneration payable to the Cost auditors for the financial year ending 31st March, 2019 (Financial Year 2018-19) and 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 Act"), the provisions of the Companies (Audit and Auditors) Rules, 2014, as amended, and pursuant to the recommendation of the Audit Committee and the approval of the Board of Directors of the Company (the "Board") and subject to the applicable guidelines and approval of the Central Government as may be applicable in this regard, the Members of the Company hereby ratify the appointment of M/s Joshi Apte & Associates, Cost Accountants, Pune (Firm Registration No. 00240) at a consolidated remuneration of Rs.5.50 Lakhs (Rupees Five Lakhs Fifty Thousand Only) plus taxes and out of pocket expenses, if any, chargeable extra on actual basis, to conduct cost audit of the cost records of the Company for the financial year ending 31st March, 2019 (Financial Year 2018-19).

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."

9. 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 ("the Act") 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 reenactment(s) thereto 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 issued and amended 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 ("NCDs") on a private placement basis, in one or more series/tranches, aggregating up to an amount of Rs.150 Crores (Rupees One Hundred Fifty Crores only), during a period of one year from the date of passing of this resolution and within the overall borrowing limits of the Company, as approved by the Members from time to time, 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 give such directions 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."

10. 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 Two Crores, 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;

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 2018 (i.e. Financial Year 2018-19)."

11. 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 : 28th May, 2018

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. 6 to 11 of the Notice is annexed hereto.

3. The Register of Members and the Share Transfer Books of the Company will be closed from Saturday, 15th September, 2018 to Tuesday, 25th September, 2018 (both days inclusive) for the purpose of Annual General Meeting (AGM) and payment of Dividend for the financial year ended 31st March, 2018.

4. The Board of Directors in their meeting held on 28th May, 2018 has recommended the payment of dividend on equity shares at 200 % (i.e. @ Rs.4/- per equity share of Rs.2/- each fully paid up) for the financial year ended 31st March, 2018. 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 24th October, 2018 to those Members whose names appear in the Register of Members of the Company, as on the date of the AGM. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership as per details to be received from the Depositories, i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), the same being as of close of their respective business hours on the date immediately preceding the aforesaid Book Closure period (i.e. as of Friday, 14th September, 2018).

5. The Members are requested to:

   a) 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;

   b) quote Ledger Folio Numbers/DP Identity and Client Identity Numbers in all their correspondence;

   c) approach the Company / M/s Karvy Computershare Pvt Ltd for consolidation of folios, if shareholdings are under multiple folios;

   d) direct all correspondence to the Company's Registered Office at 26/27, Mumbai-Pune Road, Pimpri, Pune 411018 for the attention of the Secretarial Department;

   e) get the shares transferred in joint names or make nomination in respect of their shareholding in the Company, if they are held in single name to avoid inconvenience;

   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 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 2010, 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, 2011 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, 2011 (which is to be transferred to the Fund within one month from 8th August, 2018) 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, 9 digit 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 No. /IFSC 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 18th September, 2018 (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 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 **Saturday, 22nd September, 2018 (9.00 a.m.) till Monday 24th September, 2018 (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. Sridhar 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.

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 **Tuesday, 25th September, 2018**.

iv. The Company shall cause a requisite public notice by way of an advertisement to be published on or before 31st August, 2018 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 25th September, 2018.

13. REAPPOINTMENT OF DIRECTORS:

(A) 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 58 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 Corning Finolex Optical Fibre Private Limited and Finolex J-Power Systems Private Limited also Chairman of its Audit Committee and Member of its Share Allotment & Transfer Committee and member of its Nomination & Remuneration Committee.

(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 or Key Managerial Personnel 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 as a whole time Director 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.4 of the Notice.

EXPLANATORY STATEMENT IN RESPECT OF ITEM NOS. 6 TO 11 OF SPECIAL BUSINESS OF THE NOTICE PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.6

The Board of Directors at its meeting held on 28th May, 2018 and pursuant to the recommendation of the Nomination and Remuneration Committee has, subject to the approval of the Members of the Company, reappointed Mr. D. K. Chhabria as a whole time Director on the Board of Directors of the Company designated as "Executive Chairman" or at any other designation such that he will be the Chief Executive Officer of the Company under the legislation applicable from time to time, for a period of five years w.e.f. 1st July, 2018 to 30th June, 2023 on the remuneration set out in the Agreement to be executed between the Company and Mr. D. K. Chhabria.

The main terms and conditions of reappointment, remuneration and perquisites to be paid or granted to Mr. D. K. Chhabria as Executive Chairman are as follows:

(i) Mr. D. K. Chhabria is reappointed as Executive Chairman of the Company or at any other designation such that he will be the Chief Executive Officer of the Company under the legislation applicable from time to time, for a period of five years w.e.f. 1st July, 2018 to 30th June, 2023.

(ii) Mr. D. K. Chhabria shall exercise and perform such powers and duties as the Board of Directors of the Company (hereinafter called the "Board") shall from time to time determine and subject to any directions and restrictions from time to time given or imposed by the Board, he shall have the general control and management of the business of the Company.

(iii) During his employment under this Agreement, Mr D K Chhabria shall devote his whole time and attention to the business and affairs of the Company during the normal business hours of the Company and shall use his best endeavours to promote its interest and welfare.

(iv) The Company shall pay to Mr D K Chhabria during the continuance of this Agreement in consideration of the performance of his duties a salary of Rs. 8,50,000/- (Rupees Eight Lakhs Fifty Thousand only) per month.

(v) The Company shall pay to Mr D K Chhabria during the continuance of this Agreement in consideration of the performance of his duties, commission as may be decided by the Board of Directors for each financial year of the Company or part thereof, on the profits of the Company computed in the manner laid down under Section 198 of the Companies Act, 2013 (the "Act") subject to a minimum commission equal to the annual salary.

(vi) The Company shall pay or cause to pay to Mr D K Chhabria during the continuance of this Agreement in consideration of the performance of his duties:

(a) a total amount not exceeding Rs.1,02,00,000/- per annum or Rs.8,50,000/- per month as allowances for / reimbursement of expenses incurred on housing, gas, electricity, water, furnishings, leave travel concession, full hospital and medical expenses and club fees, as per the claim(s) received from Mr D K Chhabria from time to time;

(b) reimbursement of full hospital and medical expenses within the overall limit specified in clause (vi) (a) above, shall be inclusive of reimbursements towards expenditure incurred by Mr D K Chhabria on specialised medical treatment abroad for self and family. For this purpose, family shall mean self, wife, dependent children and dependent parents of Mr D K Chhabria; and

(c) benefit of any personal accident insurance scheme, as per the rules of the Company.

(vii) In addition to the aforesaid Remuneration, Mr D K Chhabria shall be eligible for the following perquisites:

(a) contribution to providend fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961 or under any statutory modification(s) or reenactment thereof;

(b) gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and

(c) encashment of leave at the end of the tenure.

(viii) It is expressly provided that the salary, commission, allowances/reimbursement of expenses and payments towards perquisites as per (iv), (v), (vi) and (vii) above (hereinafter collectively referred to as the "Remuneration") are subject to provisions of Section 197 and other applicable provisions, if any, of the Act and in case of absence or inadequacy of profits of the Company in any particular financial year, the Remuneration payable to Mr D K Chhabria shall not exceed the limits specified under the Act or any amendment thereto or reenactment thereof from time to time.

(ix) The salary and commission as stated above and perquisites, benefits and amenities as aforesaid shall, subject to the approval of the Central Government, as may be necessary, be paid and allowed to Mr D K Chhabria as minimum remuneration in any year in case of absence or inadequacy of profits computed in the manner referred to in Section 197 read with Section 198 of the Act, for that year.

(x) Mr D K Chhabria shall be entitled to leave on full pay and allowances but not exceeding one month's leave for 11 months' service; plus additional two weeks' leave at the end of every third year.

(xi) Mr D K Chhabria shall be entitled to 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 Mr D K Chhabria.

(xii) Mr D K Chhabria shall be entitled for 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 Mr D K Chhabria.

(xiii) The Company shall reimburse entertainment and other business promotion expenses actually incurred in the course of legitimate business of the Company.

(xiv) No sitting fees shall be paid for attending the Meetings of the Board or any Committee thereof.

(xv) Subject expressly to the provisions of Section 202 and other applicable provisions, if any, of the Act the Company shall pay compensation for loss of office, or as consideration for retirement from office or in connection with such loss or retirement. The amount of such compensation shall be strictly in accordance with the provisions of Section 202 and other applicable provisions, if any, of the Act.

(xvi) Mr D K Chhabria shall not, so long as he functions as such, become interested or otherwise concerned directly or through his wife and/or minor children in any selling agency of the Company without the prior approval of the Central Government.

(xvii) Mr D K Chhabria shall not directly or indirectly engage himself in any other employment without the previous sanction of the Board of Directors.

(xviii) For purposes of leave accumulation, gratuity, provident fund, superannuation and other benefits, the service of Mr D K Chhabria under this Agreement will be considered continuous service in the Company from the original date of his joining the service of the Company on 1st May, 1986 and termination of agreement followed by immediate renewal of agreement will not be considered as any break in service.

(xix) The Rules of the Company shall be applicable for purpose of carry forward of leave, leave travel allowance, medical benefit entitlements, encashment of leave, contribution towards Provident Fund, Superannuation Fund and Gratuity Fund.

(xx) The Company shall be entitled to determine the agreement by giving 180 days' notice or salary for six months in lieu of the notice.

The draft of the Agreement to be executed between the Company and Mr. D. K. Chhabria is available for inspection by the Members of the Company at the Registered Office of the Company between 9.00 a.m. to 11.00 noon on any working day of the Company till 25th September, 2018.

This may be treated as an abstract of the terms of Agreement between the Company and Mr D K Chhabria pursuant to Section 190 of the Act.

The information or details to be provided under the Code of Corporate Governance is set out hereinafter. Mr. D. K. Chhabria is aged 55 years and is a Bachelor of Science in Engineering Management from the University of Evansville, USA. He joined the services of the Company on 1st May, 1986. He was appointed a whole time Director with the designation of "Executive Director" for a period of five years from 13th February, 1992. Subsequently, the Board of Directors at its meeting held on 11th June, 1993 appointed Mr. D. K. Chhabria as Deputy Managing Director of the Company for a period of five years w.e.f. 1st July, 1993. The Board of Directors at its meeting held on 24th June, 1998 reappointed Mr. D. K. Chhabria as Deputy Managing Director for a period of five years from 1st July 1998. The Board of Directors at its meeting held on 29th June, 2000 reappointed Mr. D. K. Chhabria as whole time Director designated as "Managing Director" for a period of five years from 1st July 2000 which appointment was approved by the Members at the thirty-second Annual General Meeting of the Company held on 22nd August, 2000. The Board of Directors at its meeting held on 12th May, 2005 reappointed Mr. D. K. Chhabria as whole time Director designated as "Managing Director" for a period of five years from 1st July, 2005. The Board of Directors at its meeting held on 30th April, 2010 reappointed Mr. D. K. Chhabria as whole time Director designated as "Managing Director" for a period of five years with effect from 1st July, 2010. The Board of Directors at its meeting held on 30th April, 2013 appointed Mr. D. K. Chhabria as whole time Director designated as "Executive Chairman" for a period of five years with effect from 1st July, 2013 which appointment was approved by the Members at the forty-fifth Annual General Meeting of the Company held on

28th June, 2013. As stated earlier, the Board of Directors at its meeting held on 28th May, 2018 reappointed Mr. D. K. Chhabria as whole time Director designated as "Executive Chairman" or at any other designation such that he will be the Chief Executive Officer of the Company under the legislation applicable from time to time, for a period of five years with effect from 1st July, 2018. Mr. D. K. Chhabria has a number of years' experience in Industry and is also the Company's Nominee Director on the Board of Corning Finolex Optical Fibre Private Limited and Finolex J-Power Systems Private Limited also Chairman of its Audit Committee, Member of Share Allotment & Transfer Committee and of its Nomination & Remuneration Committee and also a Director on the Boards of Orbit Electricals Private Limited and Finolex Infrastructure Limited.

Mr. D. K. Chhabria is concerned or interested in this resolution as it relates to the terms and conditions of his appointment and remuneration.

None of the other Directors or Key Managerial Personnel of the Company and/or their relatives is/are concerned or interested in the said resolution.

The Board recommends the reappointment of Mr D K Chhabria as Executive Chairman or at any other designation such that he will be the Chief Executive Officer of the Company under the legislation applicable from time to time, on the main terms and conditions set out in the Notice.

Disclosure pursuant to provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company holds 32.39% of the total Paid-up Equity Share Capital of its associate company, Finolex Industries Limited ("FIL"). Similarly, FIL holds 14.51% of the total Paid-up Equity Share Capital of the Company. As part of the succession planning put in place by late P. P. Chhabria, a founder promoter and former Chairman of the Company and other Finolex companies, the Company and FIL had entered into a shareholders' agreement on 11th October, 2011 in the form of a Memorandum of Understanding ("MoU") pursuant to the approvals of respective Boards of the Company and of FIL. The said MoU has been executed by the authorised Directors of the Company and of FIL and is executed under the respective Common Seals of the Company and FIL. One of the important stipulations (i.e. Clause No.5) of the said MoU is set out below for reference of the Members.

<u>Quote:</u>

FIL hereby notes that Shri Deepak K Chhabria is presently the Managing Director of FCL. Similarly, FCL hereby notes that Shri Prakash P Chhabria is presently the Managing Director of FIL. Each party hereby agrees to ensure that their respective voting rights in the other company is not utilized to inconvenience or displace or remove:

(i) Shri Prakash P Chhabria from the post of Managing Director or any other higher post to which he may be elevated to in FIL in future unless he is incapacitated or otherwise disqualified or unwilling to act as such in FIL; **or**

(ii) Shri Deepak K Chhabria from the post of Managing Director or any other higher post to which he may be elevated to in FCL in future unless he is incapacitated or otherwise disqualified or unwilling to act as such in FCL.

<u>Unquote</u>

The said MoU has been strictly adhered to by both companies from the date of its execution on 11th October, 2011. Accordingly, Members may note that FIL is required to vote positively in respect of the ordinary resolution at Item No.6 pertaining to reappointment of Mr. D. K. Chhabria.

Item No.7

The Board of Directors at its meeting held on 28th May, 2018 and pursuant to the recommendation of the Nomination and Remuneration Committee, reappointed Mr. Mahesh Viswanathan as Deputy Managing Director & Chief Financial Officer for a period of five years w.e.f. 1st July, 2018 to 30th June, 2023 subject to the approval of the Members of the Company, on the remuneration set out in the Agreement to be executed between the Company and Mr. Mahesh Viswanathan.

The main terms and conditions of appointment, remuneration and perquisites paid or granted to Mr. Mahesh Viswanathan as Deputy Managing Director & Chief Financial Officer are as follows;

1. Mr. Mahesh Viswanathan is appointed as whole time Director of the Company designated as "Deputy Managing Director & Chief Financial Officer" for a period of five years with effect from 1st July, 2018 to 30th June, 2023.

2. Mr. Mahesh Viswanathan shall exercise and perform such powers and duties as the Board and/or Mr D K Chhabria, Executive Chairman of the Company shall, from time to time, determine.

3. During his employment under this Agreement, the Deputy Managing Director & Chief Financial Officer shall devote his whole time and attention to the business and affairs of the Company during the normal business hours of the Company and shall use his best endeavors to promote its interests and welfare.

4. The Company shall pay to the Deputy Managing Director & Chief Financial Officer during the continuance of this Agreement in consideration of the performance of his duties remuneration and perquisites as follows:

A) Details of monthly remuneration:

Basic Salary	: Rs. 6,55,000/- per month
Conveyance Reimbursement	: Rs. 20,000/- per month
Soft Furnishing Allowance	: Rs. 15,000/- per month
Education Allowance	: Rs. 15,000/- per month
Others / Entertainment Allowance	: Rs. 15,000/- per month
Bonus	: As determined by the Company from time to time

B) Other Benefits

(a) The Deputy Managing Director & Chief Financial Officer shall be provided with either:

i. House Rent Allowance @ 40% of Basic Salary, or

ii. with suitable rent-free furnished/ unfurnished accommodation by the Company, or

iii. with suitable furnished/unfurnished accommodation owned by the Company on a lease basis, by charging him rent at market driven rate prevailing at the time of execution of the agreement in this regard.

In case of (ii) or (iii) above the Deputy Managing Director & Chief Financial Officer will be liable to also pay charges for consumption of electricity, water and gas at the applicable rates.

(b) Additional bonus and/or ex-gratia/incentive as may be decided by the Board of Directors of the Company.

(c) Reimbursement of full hospital and medical expenses incurred for self and dependent family members subject to a ceiling of one month's Basic Salary in a year as per the rules of the Company.

(d) Benefit of any personal accident insurance scheme as per the rules of the Company.

(e) Provision of a motor car for free use on Company's business. Use of car for personal purposes to be billed by the Company to the Deputy Managing Director & Chief Financial Officer.

Driver for the car shall be engaged by the Deputy Managing Director & Chief Financial Officer and the salary of the driver fixed, from time to time, (presently Rs.20,000/- per month) will be reimbursed to the Deputy Managing Director & Chief Financial Officer by the Company.

(f) Free telephone facility at residence; long distance personal calls to be billed by the Company to the Deputy Managing Director & Chief Financial Officer.

(g) Contribution to Provident Fund and Superannuation Fund as per the rules of the Company.

(h) Gratuity payable as per the rules of the Company.

(i) Leave travel assistance upto one month's basic salary, once in a year, as per the rules of the Company.

(j) Leave with full pay and allowances as per the rules applicable to senior executives of the Company.

(k) Encashment of leave, during and at the end of the tenure, as per the rules of the Company.

5. The Board and/or the Executive Chairman of the Company may alter and vary the terms and conditions of appointment (including remuneration to be paid in the event of loss or inadequate profit in any financial year or otherwise) subject to the overall ceiling specified under Section 197 and other applicable provisions, if any, of the Act, or any amendment thereto or reenactment thereof, in such manner as may be agreed between the Board or the Executive Chairman and the Deputy Managing Director & Chief Financial Officer .

6. The Company shall reimburse entertainment or other business promotion expenses actually incurred by the Deputy Managing Director & Chief Financial Officer in the course of legitimate business of the Company.

7. The Deputy Managing Director & Chief Financial Officer so long as he functions as such shall not be entitled to any sitting fees for attending meetings of the Board or any Committee thereof.

8. Subject expressly to the provisions of Section 202 and other applicable provisions, if any, of the Act, the Company shall pay to the Deputy Managing Director & Chief Financial Officer compensation for loss of office, or as consideration for retirement from office or in connection with such loss or retirement. The amount of such compensation shall be strictly in accordance with the provisions of Section 202 and other applicable provisions, if any, of the Act.

9. The Deputy Managing Director & Chief Financial Officer shall not so long as he functions as such, become interested

or otherwise concerned directly or through his wife and/ or minor children in any selling agency of the Company without the prior approval of the Central Government.

10. During his employment under this Agreement the Deputy Managing Director & Chief Financial Officer shall not directly or indirectly engage himself, in any employment, occupation or business without the previous sanction of the Board.

11. The Deputy Managing Director & Chief Financial Officer shall keep the secrets of the Company and its associate companies and shall not divulge any matters or things relating to the business or interests of the Company or its associate companies.

12. If the Deputy Managing Director & Chief Financial Officer 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 Company shall forthwith determine the employment of the Deputy Managing Director & Chief Financial Officer if he becomes insolvent or makes any composition or arrangement with his creditors or ceases to be a Director of the Company.

14. In case the Deputy Managing Director & Chief Financial Officer shall die during the course of his employment, the Company shall pay to his legal personal representatives the salary and other emoluments payable hereunder for the then current month.

15. In either of the following events, namely, if the Deputy Managing Director & Chief Financial Officer:

    (a) is guilty of such inattention to or negligence in the conduct of the business or of any other act or omission inconsistent with his duties as Deputy Managing Director & Chief Financial Officer or any breach of this Agreement as in the opinion of the Board renders his retirement from the office of Deputy Managing Director & Chief Financial Officer desirable; or

    (b) becomes disqualified to act as a Director for any reason other than an inadvertent breach of Section 167 of the Act or failure through inadvertence or oversight to secure leave of absence from meetings of Directors (in either of which latter events he may be reappointed as Deputy Managing Director & Chief Financial Officer), the Company may by a notice in writing to the Deputy Managing Director & Chief Financial Officer terminate his contract with immediate effect.

16. For purpose of leave accumulation, gratuity, provident fund, superannuation and other benefits, the services of the Deputy Managing Director & Chief Financial Officer under this Agreement will be considered continuous services of the Company from the date of his joining the services of the Company on 15th October 2008 and termination of agreement followed by immediate renewal(s) of agreement, will not be considered as any break in service.

17. The appointment of Deputy Managing Director & Chief Financial Officer is subject to the condition that if he ceases to be wholetime Director of the Company for any reason whatsoever, he shall forthwith vacate the office of Director of the Company also and shall extend his full cooperation to effectuate the said vacation of the office of Director of the Company.

18. The Company or Mr. Mahesh Viswanathan may determine the agreement by giving to the other Party not less than three months' notice in writing in that behalf or an amount equal to three months' salary with full allowances at rates prevailing at that time, under the provisions of the agreement.

The aforesaid draft of the Agreement to be entered into between the Company and Mr. Mahesh Viswanathan and the resolution passed by the Board on 28th May, 2018 is available for inspection by the Members of the Company at the Registered Office of the Company between 9.00 a.m. and 11.00 a.m. on any working day of the Company till 25th September, 2018.

This may be treated as an abstract of the terms of Agreement between the Company and the Deputy Managing Director & Chief Financial Officer pursuant to Section 190 of the Act.

The information or details to be provided under the Code of Corporate Governance is set out at Item 13(A) hereinabove of this Notice

The Board recommends the ordinary resolution set out at Item No.7 of the Notice for approval by the Members.

Item No.8

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, 2019 (Financial Year 2018-19).

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.8 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.8 of the Notice.

Item No.9

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 49th Annual General Meeting held on 28th September, 2017, 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 2017-18, 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 49th Annual General Meeting held on 28th September, 2017.

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 and other applicable provisions, if any, 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.9 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.9 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.9 of the Notice.

Item No. 10

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.

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 28th September, 2017, 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 One Crore 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 One Crore to Rupees Two Crores 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, 2018.

The Board recommends remunerating the non whole time Directors also of your Company by payment of commission as mentioned in the said Special Resolution set out at Item No.10 of the Notice for approval of the Members.

Since this resolution relates to the payment of remuneration to non-wholetime 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.

Item No.11

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.75 Crores or 1.5 Million KM Fibre quantity whichever is higher; normal credit period applicable is 30 days.
5	Any other information relevant or important for the Members to take a decision on the proposed resolution: Advantages for the Company by virtue of being a JV partner in CFOFPL are as under:		
	(a)	The Company would have confirmed long term source of supply for its fibre requirements as and when its requirement of fibre exceeds its own manufacturing capacity.	
	(b)	From time to time, cable customers specify or mandate that their cable should be made with a specific brand of fibre. Where such specification requires the use of only Corning branded fibre, this JV Agreement allows the Company to procure fibre without entering into protracted negotiations.	
	(c)	The 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.	

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 25th September, 2018.

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 approved and recommended the resolution, which is being placed before the Members for their approval.

Mr. D. K. Chhabria, Executive Chairman and Mr. Mahesh Viswanathan, Deputy Managing Director & 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.

None of the other Directors or Key Managerial Personnel of the Company and/or their relatives is/are concerned or interested in the said resolution at Item No.11 of the Notice.

By Order of the Board of Directors

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

Place : Pune
Dated : 28th May, 2018

Registered Office:
26/27, Mumbai-Pune Road,
Pimpri, Pune - 411018.
CIN: L31300MH1967PLC016531
Email: Investors@finolex.com

FINOLEX CABLES LIMITED

Regd. Office: 26-27, Mumbai – Pune Road,
Pimpri, Pune – 411 018
[CIN: L31300MH1967PLC016531]

PROXY FORM

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

Name of the Member(s) : ______________________________

Registered Address : ______________________________

E-Mail ID : ______________________________

Folio No. / DP ID : ______________________________

Client 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

(2) Mr/Mrs/Ms ______________________________

residing at ______________________________

E-Mail ID: ______________________________ or failing him

(3) Mr/Mrs/Ms ______________________________

residing at ______________________________

E-Mail ID: ______________________________, whose signature/s is/are appended below, as my/our proxy to attend and vote for me/our behalf at the 50th Annual General Meeting of the Company, to be held on Tuesday, 25th September, 2018 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 statements (including consolidated financial statements) of the Company for the financial year ended 31st March, 2018 and the reports of the Board of Directors and Auditors thereon.		
2	Declaration of dividend @200% on equity shares for the financial year ended 31st March, 2018 (i.e. @ Rs. 4/- per equity share of Rs. 2/- each fully paid up) for the financial year ended 31st March, 2018.		
3	Appointment of Mrs Namita V Thapar, Woman Director [DIN: 05318899], who retires by rotation at this meeting, but though eligible, does not offer herself for reappointment.	-	-
4	Appointment of Mr Mahesh Viswanathan [DIN: 02780987], who retires by rotation, and being eligible, offers himself for reappointment.		
5	Ratification of appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, [Firm Registration No. 117366W / W100018] as Statutory Auditors as set out at Item No.5 of the Notice.		
	SPECIAL BUSINESS		
6	Reappointment of Mr. D. K. Chhabria [DIN: 01403799] as Executive Chairman of the Company for five years w.e.f. 1st July, 2018 to 30th June, 2023.		
7	Reappointment of Mr. Mahesh Viswanathan [DIN: 02780987] as Deputy Managing Director & Chief Financial Officer of the Company for five years w.e.f. 1st July, 2018 to 30th June, 2023.		
8	Ratify remuneration payable to M/s Joshi Apte & Associates, Cost Accountants, Pune (Firm Registration No.00240) and their appointment as Cost Auditor of the Company for the financial year 2018-19.		
9	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.		
10	Payment of commission to non-wholetime Directors, not exceeding one percent of the net profit of the Company or Rupees Two Crores, whichever is lower, as may be determined by the Board in each financial year with effect from 1st April, 2018 (financial year 2018-19).		
11	Approval for the Company to continue to purchase optical fibre from Corning Finolex Optical Fibre Private Limited as set out at item No.11 of the Notice.		

Affix Re. 1/- Revenue Stamp

Signed this __________ day of__________, 2018

____
Signature of Shareholder

____
Signature of 1st proxy holder

____
Signature of 2nd proxy holder

____
Signature of 3rd proxy holder

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For details of the Resolutions, Explanatory Statement and Notes, please refer to Notice of the 50th Annual General Meeting.
3. *It is optional to indicate your preference. If you leave the 'For' or `Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate which may not be what you desire.

FINOLEX CABLES LIMITED

Regd. Office: 26-27, Mumbai – Pune Road,
Pimpri, Pune – 411 018
[CIN: L31300MH1967PLC016531]

50TH ANNUAL GENERAL MEETING – TUESDAY, 25TH SEPTEMBER, 2018

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 / Representative (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 50th Annual General Meeting held on Tuesday, 25th September, 2018 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.

Product Portfolio

Finolex Cables is highly diversified in the electrical and communication cable category. Over the years, we have smoothly transitioned from being an exclusive wire and cable maker to becoming a producer of the whole gamut of electrical products, including switches, switchgears, lighting products, and fans.

Finolex
:DELIGHT
Customer Care
1800-209-0166

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Reg. Office: Finolex Cables Ltd., 26-27, Mumbai-Pune Road, Pimpri, Pune 411 018, India. **Tel:** 020-27475963 | **Fax:** 020-27470344
CIN: L31300MH1967PLC016531 | **Visit us at:** www.finolex.com

Concept, Content & Design WYATT Prism COMMUNICATIONS (info@wyatt.co.in)