

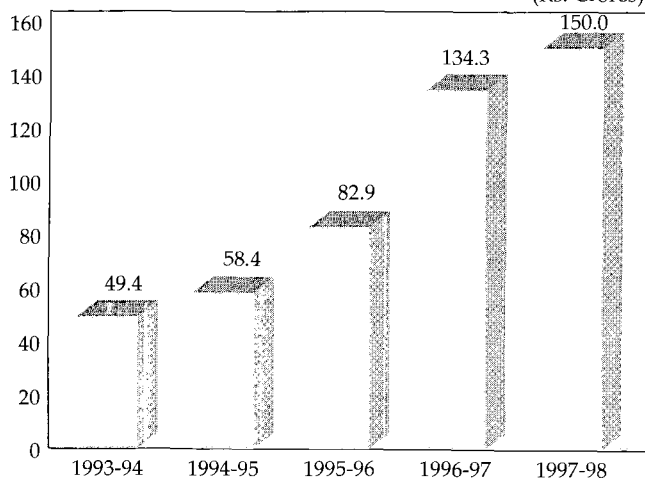
Highlights

PARTICULARS		1997-98	1996-97	1995-96	1994-95	1993-94
SALES *	Rs. Crores	228.9	240.1	224.0	180.8	166.5
PROFIT BEFORE TAX	Rs. Crores	0.51	20.2	41.8	10.0	16.4
PROFIT AFTER TAX	Rs. Crores	0.5	16.7	31.3	7.8	11.3
PROFIT BEFORE TAX AS % OF SALES		0.2	8.4	18.7	5.5	9.8
PROFIT AFTER TAX AS % OF SALES		0.2	6.9	14.0	4.3	6.8
NET WORTH PER SHARE	Rs.	100.9	101.4	109.1	82.2	76.3
EARNINGS PER SHARE	Rs.	0.14	12.4	34.8	8.6	12.6
DIVIDEND PER SHARE	Rs.	1.0	5.0	5.0	4.0	4.0
DEBT/EQUITY RATIO		0.8:1	0.5:1	0.4:1	0.6:1	0.4:1
CURRENT RATIO		3.7:1	2.9:1	3.5:1	2.8:1	2.9:1
TOTAL LIABILITIES/NET WORTH		1.1:1	0.9:1	1.1:1	1.1:1	0.8:1
NUMBER OF EMPLOYEES		1240	1223	1213	1254	1273
NUMBER OF SHAREHOLDERS		12156	12714	5604	5559	6029

* Refer to Note No. 8 of Schedule 9

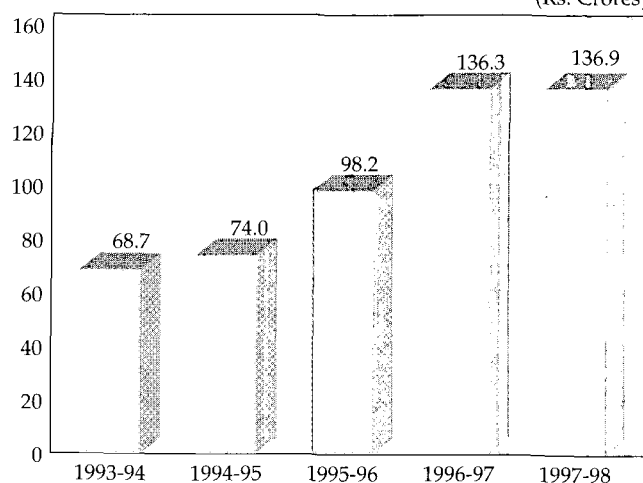
Gross Fixed Assets

(Rs. Crores)



Net Worth

(Rs. Crores)



Notice

NOTICE is hereby given that the Forty-first Annual General Meeting of CABLE CORPORATION OF INDIA LIMITED will be held at Sir Sitaram and Lady Shantabai Patkar Convocation Hall of SNDT Women's University, 1, Nathibai Thackersey Road, Mumbai - 400 020, on Wednesday, 23rd September, 1998 at 11.00 a.m., to transact the following business:

1. To receive, consider and adopt the Audited Profit and Loss Account of the Company for the year ended 31st March, 1998, and the Audited Balance Sheet as at that date and the Reports of the Directors and Auditors.
2. To declare a dividend, on Equity Shares and Preference Shares.
3. To appoint a Director in place of Mr. H S Billimoria who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. M V Doshi who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mrs. K A Khatau who retires by rotation and, being eligible, offers herself for re-appointment.
6. To consider and, if thought fit, to pass with or without modification, the following Resolution as a **Special Resolution** :

"RESOLVED THAT M/s. Sorab S. Engineer & Company, Chartered Accountants, be and are hereby appointed Auditors of the Company, to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company, at a remuneration to be mutually agreed between the Board of Directors of the Company and the Auditors."
7. To consider and, if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution** :

"RESOLVED THAT the consent of the Company be and is hereby accorded in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 to mortgaging and/or charging by the Board of all the immovable and movable properties of the Company wheresoever situate, present and future, and/or conferring power to enter upon and to take possession of assets of the Company in certain events, to or in favour of Industrial Development Bank of India (IDBI) to secure :

- (a) Rupee Loan not exceeding Rs. 1000 lakh (Rupees One thousand lakhs only) lent and advanced by IDBI to the Company under the Corporate Loan Scheme;
- (b) Together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, premia on prepayment, costs, charges, expenses and other monies payable by the Company to IDBI under the Loan Agreements/Letters of Sanction/Memorandum of Terms and Conditions entered into by the Company in respect of the said loan.

RESOLVED FURTHER THAT the action taken by the Board in finalising with IDBI and execution of the documents for creating the aforesaid mortgage and/or charge and to do all such acts and things as may be necessary for giving effect to the above resolution, be and is hereby ratified.

8. To consider and, if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT the consent of the Company be and is hereby accorded in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, to the creation by the Board of any mortgage, charge and/or hypothecation from time to time and on such terms and conditions as the Board may think fit in addition to the existing mortgages, charges and hypothecations created by the Company as the Board may direct, on all or any of the assets of the Company, both present and future, together with power to take over the management of the Company in certain events, to or in favour of all or any of the financial institutions/banks/any other investing agencies/Trustees for the holders of debentures/bonds/other instruments which may be issued to and subscribed by all or any of the financial institutions/banks/any other investing agencies or any other person(s)/bodies corporate by private placement or otherwise, to secure rupee/foreign currency loans, debentures, bonds or other instruments of an equivalent aggregate value not exceeding Rs. 250 crores together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, commitment

charges, premia on pre-payment, or on redemption, costs, charges, expenses and all other monies payable by the Company to the aforesaid parties or any of them under the Agreements/ Arrangements entered into/to be entered into by the Company in respect of the said loans, debentures, bonds or other instruments.

RESOLVED FURTHER THAT the Board be and is hereby authorized to finalise with the aforesaid parties or any of them, all necessary documents for creating any mortgage/charge/hypothecation and accepting or making any alterations, changes, variations to or in the terms and conditions, to do all such act, deeds, matters and things and to execute all such documents and writings as it may consider necessary, for the purpose of giving effect to this Resolution."

9. To consider and, if thought fit, to pass with or without modification, the following Resolution as a **Special Resolution** :

"RESOLVED THAT subject to all applicable provisions of the Companies Act, 1956, (including any statutory modification(s) or re-enactment thereof and any Ordinance promulgated in this regard for the time being in force and as may be enacted/promulgated from time to time) and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to, by the Board the consent of the Company be and is hereby accorded to the Board to buyback, from the existing holders of shares and/or other securities giving right to subscribe for shares of the Company, and/or from the open market and/or from the lots smaller than market lots of the Securities (odd lots) and/or by purchasing the securities issued to the employees pursuant to a scheme of stock option, the shares or such other securities or securities having such underlying voting rights as may hereafter be notified by the Central Government or any other regulatory authority, from time to time (herein for brevity's sake referred to as "the Securities"), of the Company, from out of its free reserves or out of the securities premium account of the Company or out of the proceeds of any issue made by the Company specifically for the purpose, or from such other sources as may be permitted by law, on such terms and

conditions and in such manner as may be prescribed or permitted by law from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts and things and deal with all such matters and take all such steps in this regard as it may, in its absolute discretion, deem necessary, fit or proper."

10. To consider and, if thought fit, to pass with or without modification, the following Resolution as a **Special Resolution** :

"RESOLVED THAT pursuant to Section 31 and all other applicable provisions, if any of the Companies Act, 1956, the Articles of Association of the Company be and are hereby altered in the following manner :

- (A) Insert the following Article as Article 24A after Article 24 :

'Buy Back of Shares

24A Notwithstanding anything contained in these Articles, and in the event it is permitted by law for a company to purchase its own shares or securities, subject to all applicable provisions of the Companies Act, 1956, (including any statutory modification(s) or re-enactment thereof and any Ordinance promulgated in this regard for the time being in force and as may be enacted/promulgated from time to time) and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to, the Board of Directors may, if and when thought fit, buy back from the existing holders of shares and/or other securities giving right to subscribe for shares of the Company, and/or from the open market and/or from the lots smaller than market lots of the Securities (odd lots) and/or by purchasing the securities issued to the employees pursuant to a scheme of stock option, the shares of such other securities or securities having such underlying voting rights as may hereafter be notified by the Central Government or any other regulatory authority, from time to time (herein for

brevity's sake referred to as "the Securities"), of the Company, from out of its free reserves or out of the securities premium account of the Company or out of the proceeds of any issue made by the Company specifically for the purpose, or from such other sources as may be permitted by law, on such terms and conditions and in such manner as may be prescribed or permitted by law from time to time.

- (B) Insert the following Article as Article 4A after Article 4 :

"Issue of Shares without voting rights

4A In the event it is permitted by law to issue shares without voting rights attached to them, the Directors may issue such shares upon such terms and conditions and with such rights and privileges annexed thereto as thought fit and as may be permitted by law."

11. To consider and, if thought fit, to pass with or without modification, the following Resolution as a **Special Resolution** :

"RESOLVED THAT in accordance with the provisions of Section 81 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactments thereof) and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be considered necessary by the Board of Directors of the Company (hereinafter referred to as the "Board" which expression shall also include a Committee thereof), or as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to or accepted by the Board in its sole discretion, the consent of the Company be and is hereby accorded to the Board to create, offer, issue or allot, in one or more tranches, to such persons as are in the permanent employment of the Company at the time the issue is made and to the Managing/ Wholetime Directors of the Company, as may be decided solely by the Board, such number of Ordinary Shares of the Company of the face value of Rs. 10/- each, upto a limit as permitted by law, and as the Board may deem fit, for

subscription for cash or allocated as an option to subscribe, on such terms and at such price as may be fixed and determined by the Board prior to the issue and offer thereof in accordance with the applicable guidelines and provisions of law and otherwise rank in all respects pari passu with the Ordinary Shares of the Company as then issued and in existence and on such other terms and conditions and at such time or times as the Board may, in its absolute discretion and in the best interest of the Company deem fit. Provided that the aforesaid issue of Ordinary Shares may instead be in the form of fully or partly Convertible Debentures, Bonds, Warrants or other securities as may be permitted by law.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of Ordinary Shares as may be required in pursuance of the above issue, and that the ordinary shares so allotted shall in all respects rank pari passu with the existing Ordinary Shares of the Company save and except that such Ordinary Shares which may be with or without voting rights, if permitted by the law, shall carry the right to receive either the full dividend or pro-rata dividend from the date of allotment, as may be decided by the Board, declared for the financial year in which the allotment of the shares shall become effective.

RESOLVED FURTHER THAT the consent of the Company be and is hereby granted in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 and subject to all necessary approvals to the Board to secure, if necessary, all or any of the above mentioned securities to be issued, by the creation of mortgages and/or charges, on all or any of the Company's immovable and/or movable assets, both present and future in such form and manner and on such terms as may be deemed fit and appropriate by the Board.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorised to determine the form and terms of the issue, the issue price and all other terms and matters connected therewith including the creation of mortgages and/or charges and to make and accept any modifications in the proposal as may be required by the authorities involved in such issues and to settle any questions

or difficulties that may arise in regard to the issue."

12. To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution** :

"RESOLVED THAT pursuant to Section 372 and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Central Government, Reserve Bank of India and other authorities, wherever necessary, being obtained, the Board of Directors of the Company ("the Board") be and is hereby authorised to invest either by way of subscription, purchase or otherwise in the share capital of the Company proposed to be incorporated in South Africa, as they may, in their absolute discretion deem fit Provided That the total amount to be invested not to exceed Rs. 50 lacs notwithstanding that the aforesaid investment be in excess of the percentages specified in sub-section (2) of the said Section 372 and the proviso thereto.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary for giving effect to the above resolution."

13. To consider and, if thought fit, to pass with or without modification, the following Resolution as a **Special Resolution** :

"RESOLVED THAT pursuant to the provisions of Section 149 (2A) and other applicable provisions, if any, of the Companies Act, 1956, approval be and is hereby granted to the Company to commence all or any of the activities as set out in Sub-clause 20 of Clause III of the Memorandum of Association of the Company namely to hold, use, clear, open, plant, cultivate, work, manage, improve, carry on, and develop the undertaking, lands and real and personal immovable and movable estates or property and assets of any kind of the Company, or any part thereof."

NOTES:

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- (b) An Explanatory Statement as required by Section 173 of the Companies Act, 1956, is appended hereto.

- (c) A copy of the Memorandum and Articles of Association of the Company will be available for inspection by the Members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on any working day except Saturday.
- (d) The Register of Members and Transfer Books of the Company will remain closed from Monday, 7th September, 1998 to Wednesday, 23rd September, 1998, (both days inclusive).
- (e) The dividend, if any, declared at the Meeting will be payable to those Members whose names appear in the Company's Register of Members on 23rd September, 1998.
- (f) Members are requested to notify immediately the Company's Registrars and Transfer Agents of any change in their addresses.
- (g) The Company has already transferred on due date the unclaimed dividend declared for the financial year ended 31.03.1994 to the General Revenue Account of the Central Government in terms of Section 205A of the Companies Act, 1956. Members who have not encashed the Dividend Warrants for the said period are requested to claim the amount from the Registrar of Companies, Maharashtra. The unpaid dividends that are now due for transfer to the Central Government are as follows:

Dividend No.	Date	For the Financial year	Due for transfer on
27th	25.09.95	31.03.95	10.10.1998
28th	30.08.96	31.03.96	26.09.1999
29th	04.09.97	31.03.97	23.10.2000

Members who have not encashed their dividend warrants may approach M/s. Consolidated Share Services Pvt. Ltd. Shanti Nagar, Cross Road 'A', Near M.I.D.C. Bus Depot, Andheri (East), Mumbai - 400 093 for obtaining cheque/demand draft in lieu thereof.

By Order of the Board of Directors,

KALYAN CHAKRAVARTI
EXECUTIVE DIRECTOR

Mumbai, 29th June, 1998.

Registered Office:

Laxmi Building, 4th Floor,
6, Shoorji Vallabhdas Marg,
Ballard Estate,
Mumbai - 400 001.

ANNEXURE TO THE NOTICE EXPLANATORY STATEMENT

As required under Section 173 of the Companies Act, 1956.

ITEM 6

This Item relates to the appointment of Auditors and the fixation of their remuneration. The Directors recommend the re-appointment of M/s Sorab S. Engineer & Company, as the Company's Auditors. Section 224 A of the Companies Act, 1956, provides that in case of a company in which not less than 25 per cent of the subscribed share capital is held, whether singly or in any combination by a Public Financial Institution or a Government company or Central Government or any State Government or any financial or other Institution established by any Provincial or State Act in which a State Government holds not less than 51 per cent of the subscribed share capital, or a nationalised bank or an insurance company carrying on general insurance business, the appointment or re-appointment of an auditor would require to be made by a special resolution at the Annual General Meeting. Some of the aforesaid categories of institutions and banks singly or in any combination presently hold more than 25 per cent of the subscribed share capital of the Company. Hence, the Special Resolution at Item 6 of the Notice.

ITEM 7

The Company had approached Industrial Development Bank of India (IDBI) for financial assistance in the form of a Rupee Loan not exceeding Rs. 1000 lakhs (Rupees One Thousand Lakhs only) under the Corporate Loan Scheme for meeting Company's part of margin money for long term working capital requirement.

The financial assistance from IDBI was availed and secured by a mortgage by deposit of title deeds in favour of IDBI on the Company's land and building situated at Village Dattapada Road, Borivali (East), Mumbai 400 066 (hereinafter referred to as the said immovable properties).

Section 293 (1)(a) of the Companies Act, 1956, provides inter alia that the Board of Directors of a Public Company shall not, without the consent of such Public Company in general meeting, sell, lease or otherwise dispose off the whole or substantially the whole of the undertaking of the Company or where the company owns more than one undertaking of the whole, or substantially the whole of any such undertaking.

Since the mortgaging by the Company of the

immovable properties as mentioned aforesaid in favour of IDBI may be regarded as disposal of the Company's properties, it is necessary for the members to pass a resolution under Section 293 (1)(a) of the Companies Act, 1956, before creation of the said mortgage. Since the Company was in urgent need of funds, the Board of Directors at its Meeting held on 4th September, 1997, approved the availing of the aforementioned loan from IDBI by depositing with IDBI all documents of title, evidences, deeds and writings, hereinafter called the said title deeds in order to create the security on the said immovable properties. Copies of letters of sanction no. HO/PFD/CCI/19 dated 30th January, 1997 and no. HO/CFD-III/CL/CCI/2431 dated 3rd September, 1997, received from IDBI and copies of the relevant documents/correspondence with the said institution and the Company are open for inspection at the registered office of the Company between 11 a.m. and 1 p.m. on any working day prior to the date of the meeting.

The Board requests the Members to ratify the action taken by the Board in availing of the loan from IDBI against security of mortgage created.

None of the Directors of the Company is interested in the Resolution at Item 7 of the Notice.

ITEM 8

At the Extraordinary General Meeting of the Company held on 23rd March, 1995, the Members had authorised the Board of Directors to borrow moneys not exceeding in the aggregate Rs. 250 crores (Rupees Two hundred fifty crores only).

The aforesaid borrowings authorised by the Company will be required to be secured by creating legal/equitable mortgages, hypothecation/charges on all or part of the immovable and/or movable assets of the Company, present and future in favour of the various Financial Institutions/Banks as set out in the Resolution at Item 8 of the Notice. As the Loan Agreements to be entered into by the Company with the said Financial Institutions/banks generally incorporate a provision that the Lenders will have the power to take over the management of the Company in certain events, it is necessary for the Members to pass a Resolution under Section 293(1)(a) of the Companies Act, 1956, before the creation of any such mortgage, hypothecation or charge. This resolution is an enabling resolution.

ITEM 9

Buy back by a Company of its own shares or other securities convertible into equity shares by a Company is presently not allowed under the Companies Act, 1956. The Companies Act, 1956 is likely to be amended shortly to permit companies to buy back their shares and regulate the procedure for such buy back.

If the Companies Act, 1956 is so amended the Company proposes to buy back its shares or other securities giving right to subscribe for shares of the Company, from the existing security holders and/or from the open market and/or from the lots smaller than market lots of the securities (odd lots) and/or by purchasing the securities issued to the employees of the Company pursuant to the scheme of stock option, subject to necessary enactment in this regard.

The buy back of shares as aforesaid would entail investing of an amount which would not be less than the market value of the shares or other securities giving right to subscribe for shares of the Company and shall be met out of the free reserves and/or the securities premium account and/or out of the proceeds of an issue specifically made for the purpose or from such other sources as may be permitted by law. The shares so bought back shall be dealt with as per the then prevailing law/regulation.

The Board is of the opinion that it will be in the best interests of the Company if the shareholders approve the said resolution, permitting the Company to buy back its shares so that the Company may be able to implement this resolution once the law is amended.

The resolution, if approved, will be operative and given effect to from the applicable date as may be prescribed in this regard.

The proposed resolution is purely of an enabling nature aimed at empowering the Company to buy back its shares when such buy back becomes legally permissible.

The Directors recommended the resolution for approval of the shareholders.

ITEM 10

(A) Article 24 of the Articles of Association of the Company prohibits the Company from buying its own shares. It is proposed to introduce a new Article 24A in the Articles of Association as set out in the Resolution at Item 10 to enable the Company to purchase any of its own shares or securities, as proposed in item 10 in the event it is permitted by the law.

(B) The issue of shares without voting rights by companies is presently not permitted under the Act. It is expected that, in course of time, the law will be amended to permit issue of shares without voting rights by the companies. Hence, it is proposed to introduce a new Article 4A in the Articles of Association as set out in the Resolution at item 10(B) to enable the Company to issue shares without voting rights, as may be permitted by law.

The Board commends the Resolution for acceptance by the Members.

A copy of the Memorandum and Articles of Association of the Company together with the proposed alterations is available for inspection by the Members of the Company at its Registered Office between 11 a.m. and 1 p.m. on any working day of the Company.

ITEM 11

In the present competitive environment in the country and in the long term interest of the Company and its shareholders, it is necessary that the Company adopts measures for attracting and retaining qualified, talented and competent personnel. Stock Option Schemes, designed to foster a sense of ownership and belonging amongst personnel, are a well - accepted approach to this end. It is, therefore appropriate to consider introducing a Stock Option Scheme for the permanent employees of the Company and its Managing/Whole-time Directors. The shares may be allotted directly to employees or allocated in accordance with a Stock Option Scheme framed in that behalf, in accordance with the provisions of the prevailing law. The proposed Resolution is designed to enable achievement of these objectives.

Section 81 of the Act, provides, inter alia, that whenever it is proposed to increase the Subscribed Capital of a Company by the allotment of further shares, such further shares shall be offered to the existing Shareholders of the Company in the manner laid down in the said Section unless the Shareholders in General Meeting decide otherwise. The consent of the Shareholders is, therefore sought to authorise the Board of Directors to issue the Shares in the manner set out in the resolution at Item 11.

Mr. H. A. Khatau, Chairman & Managing Director and Mr. Kalyan Chakravarti, Executive Director of the Company may be deemed to be concerned or interested in the Resolution at Item 11 to the extent of

the securities, which may be offered and issued to them.

The Board commends the Resolution for acceptance.

ITEM 12

Your Company has been doing business in South Africa for the past two years and exports during the year ended 31st March, 1998 was to the tune of Rs. 1.88 crores. Your company proposes to penetrate this market since South Africa presents long-term opportunities for your company. To enable your company to serve the South African Market more efficiently as well as to launch marketing initiative in sub-Sahara Africa, it is considered appropriate to invest in the establishment of a company in South Africa.

At the Board Meeting held on 4th September, 1997, and 29th June, 1998, decision was taken to authorise the management to seek approval of the concerned authorities for investing in a new company which would be either a wholly owned subsidiary of your company or your company's investment would be significant in the paid-up capital of the new company proposed to be incorporated in South Africa within the prevailing guidelines announced by the Government/Reserve Bank of India.

Since the proposed investment would require the approval of the Members of the Company as the investment in the proposed company, will exceed the limits prescribed under Section 372 of the Companies Act, 1956, consent of the Members is sought to authorise the Board of Directors for investing in a new company as referred to in the text of the Resolution at Item 12 of the Notice.

As the proposal is in the interest of the Company, your Directors, commend the Special Resolution at Item 12 of the Notice for your approval.

None of the Directors of the Company is concerned or interested in the Resolution at Item 12 of the Notice.

ITEM 13

The existing Sub-clause 20 of Clause III of the Memorandum of Association of the Company empowers the Company to hold, use, clear, open, plant, cultivate, work, manage, improve, carry on, and develop the undertaking, lands and real and personal immovable and movable estates or property and assets of any kind of the Company, or any part thereof.

Approval of the members to the commencement of the above business activity is sought pursuant to Section 149 (2A) of the Companies Act, 1956 by way of a special resolution. The special resolution is of an enabling nature.

None of the Directors of the Company is concerned or interested in the passing of the Special Resolution at Item 13 of the Notice.

By Order of the Board of Directors,

KALYAN CHAKRAVARTI
EXECUTIVE DIRECTOR

Mumbai, 29th June, 1998.

Registered Office:
Laxmi Building, 4th Floor,
6, Shoorji Vallabhdas Marg,
Ballard Estate,
Mumbai - 400 001.

