



CORDS CABLE INDUSTRIES LIMITED

Annual Report 2016-17

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CORPORATE INFORMATION**BOARD OF DIRECTORS**

Mr. Naveen Sawhney	Managing Director
Mr. Sanjeev Kumar	Whole Time Director
Mr. Vijay Kumar	Non -Executive Director
Mr. Vimal Dev Monga	Non -Executive Director
Mrs. Asha Bhandari	Non -Executive Director

MANAGEMENT TEAM

Mr. Varun Sawhney	Vice President (Marketing, HR & IT)
Mr. Gaurav Sawhney	Vice President (Finance and Banking)
Mr. Hemant Kumar Pandita	Vice President (Marketing)
Mr. Manoj Kumar Gupta	Chief Financial Officer
Mr. Promod Singh Rawat	Works Manager
Mr. Sumer Misri	Senior General Manager (Export)
Mr. Anil Gupta	General Manager (Technical)
Mr. Jugendra Singh	General Manager (Sales & Marketing)
Mr. Ajay Dixit	General Manager (Sales & Marketing)
Mr. Sameer Grover	General Manager (Sales & Marketing)

COMPANY SECRETARY

Ms. Garima Pant

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Private Limited
C-101, 247 Park, Mumbai – 400 083
L.B.S. Marg, Vikhroli (West),
Tel No - +91 22 49186270
Fax No- +91 22 49186060
Email-rnt.helpdesk@linkintime.co.in

STATUTORY AUDITORS

M/s Alok Misra & Co,
Chartered Accountants
New Delhi

STOCK EXCHANGES

Bombay Stock Exchange Limited
National Stock Exchange of India Limited

BANKERS / FINANCIAL INSTITUTIONS

Canara Bank
ICICI Bank Limited
IDBI Bank Limited
Vijaya Bank
State Bank of Patiala
Rajasthan State Industrial Development & Industrial Corporation
Ltd. (RIICO Ltd.)

REGISTERED OFFICE

Cords Cable Industries Limited
CIN : L74999DL1991PLC046092
94, 1st Floor, Shambhu Dayal Bagh Marg,
Near Okhla Industrial Area Phase-III,
Old Ishwar Nagar, New Delhi-110020
Tel No- +91-011-40551200
Fax No-+91-011-40551280/81

Email ID-

For Investor- csc@cordscable.com
For Others - ccil@cordscable.com
Website - www.cordscable.com

REGIONAL OFFICES

(1) Mumbai (2) Hyderabad (3) Kolkata

PLANT LOCATIONS

- 1) A-525, E-518, 519, 520, Industrial Area
Chopanki, Bhiwadi,
District Alwar (Raj) 301 707
- 2) SP-239, 240 & 241,
Industrial Area Kahrani,
Bhiwadi Extn., District Alwar (Raj) 301 019

MANAGEMENT DISCUSSION & ANALYSIS

Company Overview

Cords Cable Industries Limited (CCIL) is a specialised Control & Instrumentation cable company offering wide range of cable products to multiple industries. CCIL has over 3 decades of rich experience and enjoys a strong brand image in the B2B segment. CCIL designs, develops and manufactures a varied range of Instrumentation, Control, Thermocouple Extension / Compensating, Power and Communication cables. The company's state of the art manufacturing plants are located at Alwar district in Rajasthan.

CCIL is in the business of providing cost-effective and quality solutions for various signalling, electrical connectivity requirements. CCIL has carved a niche in manufacturing of customised cables as per the customer's specifications. About 95% of the company's orders are based on customer specifications. About 85% of the company's cable comprises of Instrumentation & data cables and balance about 15% comprises of Power cables. Investments in infrastructure and various industries will prove to be a big positive for the company. CCIL continuously strives to achieve higher efficiencies, cost control, better preventive maintenance and focuses on improving its product mix to attain economies of scale. Further, the interest rate scenario in the country is likely to soften in the near future which will enable the company to significantly save on its interest cost.

ECONOMIC OVERVIEW

GLOBAL:

Global growth is projected to strengthen to 2.7 percent in 2017 and 2.9 percent in 2018-19. In advanced economies, a modest investment-led recovery is underway, with growth picking up to 1.9 percent in 2017, from 1.7 percent in 2016, before moderating in 2018-19. In Emerging Market and Developing Economies (EMDEs), growth is anticipated to recover to 4.1 percent in 2017, from a post -crisis low of 3.5 percent in 2016, and reach an average of 4.6 percent in 2018-19. Global trade has gained momentum, following two years of pronounced weakness. The upswing is driven by strengthening investment in advanced economies, increased trade flows to and from China, and improved import demand from commodity-exporting emerging market and developing economies. Nevertheless, slower trade liberalization, flagging value chain integration, and

elevated trade policy uncertainty continue to weigh on the medium-term outlook. Global financing conditions remain benign, benefiting from improving market expectations about growth prospects. Commodity prices are expected to recover at a moderate pace, although oil price projections have been revised down, reflecting the prospect of increased U.S. shale oil production.

INDIA:

The year 2016-17 was a very eventful year in terms of Policy reforms such as the passage of constitutional amendment, paving way for implementation of Goods and Services Tax (GST) and cancellation of the legal tender of high denomination notes of Rs 500 and Rs 1000 i.e. Demonetization. Demonetization had a short-term impact on the economy but it is expected to benefit in the long run by the way of reduction in corruption, boost for digital payments etc. On the other hand, GST would play a bigger role in shifting large part of unorganized market to organized market, which is also expected to improve tax compliance and is expected to boost investment and growth.

The improvement in India's economic fundamentals continued to improve in the year gone by with the combined impact of strong government reforms, RBI's inflation focus supported by stable global commodity prices.

As per the World Bank, India is projected to grow at 7.2 per cent in 2017 as against 6.8 per cent growth in 2016 and at 7.5 per cent in 2018 and 7.7 per cent in 2019. Even after World Bank revising India's growth forecast downward, India remains the fastest growing economy in the world.

With the easing of cash shortages, rise in the exports and increasing Government capital expenditure, which partially offsets the soft Private investments in the country, India stands out to be the hottest investment destinations in the world.

INDUSTRY SCENARIO:

The wires and cables industry in India has grown significantly in the past decade. Over the past 20 years, the industry has shifted from being an unorganised sector to an organised one, but yet 35% of the industry continues to be a part of the unorganised sector. The industry is expected to grow at 13% CAGR over

FY16-20 and its market size is estimated to reach 640 Bn by FY20. As per Indian Electrical & Electronic Manufacturer's Association (IEEMA), the estimated size of the industry was 392 Bn as of FY16, with power cables forming 40% of the market.

The prospects of the Wire and Cable industry are interlinked with the health of other industries viz: Power, Telecom, Railways, Real estate, Steel, Cement, Refineries, Infrastructure etc. Significant investments across key end-user segments in the background of government initiatives such as 'smart cities' and 'housing for all' are expected to drive the demand for cables.

With the growth of other related industries, the Indian Wire and Cable industry is indeed bound to grow & prosper.

Source: Crisil report

OPPORTUNITIES IN VARIOUS SECTORS

POWER:

Power is one of the most critical components of infrastructure crucial for the economic growth and welfare of nations. The existence and development of adequate infrastructure is essential for sustained growth of the Indian economy. Electricity demand in the country has increased rapidly and is expected to rise further in the years to come. In order to meet the increasing demand, massive addition to the installed generating capacity is required.

Government's focus on attaining '**Power for all**' has accelerated capacity addition in the country. With the adoption of "**UDAY**" by majority of the states, the state distribution companies' debt is expected to come down.

Total installed capacity of power stations in India stood at 315,426.32 Megawatt (MW) as of February 28, 2017. The Ministry of Power has set a target of 1,229.4 billion units (BU) of electricity to be generated in the fiscal year 2017-18, which is 70 BU's higher than the target for 2016-17.

Government is also expected to bid out transmission projects worth ₹1 trillion over the next two-three years, driving sustainable demand for power cables for the next three-five years.

With all the above measures underway the power cables market is expected to expand by 1.5-1.7x in the next three years compared to FY14-16.

REAL ESTATE SECTOR:

The real estate sector had a bumpy ride in the year, where the sector had witnessed a gradual recovery in the first half of FY 2016-17, while there was a shock in terms of demonetization, in the later part of the year.

The Indian real estate market is expected to touch US 853 Bn by 2028 from USD 126 Bn in 2015. The real estate contribution to India's GDP is expected to be 13% in 2028. This market is expected to grow at CAGR of 15.2% during FY08 to FY28E. The growth drivers are Urbanization, Policy support, Easier financing options, Lower interest rate, increasing household income etc. Retail, hospitality and commercial real estate are also growing, providing the much-needed infrastructure for India's growing needs. Private Equity investment in Indian real estate sector has been on increasing trend in the last 5 years.

Various regulations such as benami property transaction prohibition act, Real estate regulatory authority (RERA), GST, are expected to boost confidence among buyers, which over the years remained saddled with unethical practices.

A pick up in the construction activities will also lead to an increase in demand of Wires & Cables.

AIRPORT MODERNIZATION:

India's civil aviation industry is on a high-growth trajectory. As per the IATA, India will become the third largest aviation market in the world in terms of passengers by 2026. Furthermore, the IATA also expects the air passengers to grow at a CAGR of 3.7 per cent to double from 3.8 billion air passengers in 2016 to 7.2 billion air passengers by 2035. According to CAPA, domestic air traffic is expected to grow 25 per cent and cross 130 million in fiscal year 2017-18.

The Civil Aviation industry has ushered in a new era of expansion, driven by factors such as low-cost carriers (LCCs), modern airports, Foreign Direct Investment (FDI) in domestic airlines, advanced information technology (IT) interventions and growing emphasis on regional connectivity.

AAI has undertaken various modernization and up gradation works such as construction of new domestic terminal building to handle increased peak hour passengers and conversion of old terminal building to international cargo terminal at Tiruchirappalli Airport, in

a bid to develop airports in various small cities of Tamil Nadu. Chennai airport is also expected to undergo modernization at an estimated cost of Rs. 2,587 crores.

These modernization plans will further boost the demand for Specialised Cables.

Railways -

The Indian Railways is among the world's largest rail networks and is the backbone of the nation's transportation system. It connects the length and breadth of the country enabling large-scale, rapid and low-cost movement of people & goods. Railways are highly dependent on Cables for current supply, control tasks, data transmission etc.

In the recent Budget, the Railway expenditure allocation has increased by 8% to Rs. 1,31,000 crores for laying down 3,500 km of railway lines in FY 2017-18. Additionally, the Government will provide Rs 55,000 crores towards capital and development expenditure of Railways. These fund allocations are expected to boost the development of Indian Railways which augurs well for the cable Industry as well.

The Indian Railways are also targeting to achieve few goals by 2020 which includes

- a. establish quality of service benchmarked to the best of the railway systems in the world
- b. Target to achieve Zero accidents
- c. Target to achieve Zero failures in equipments
- d. Utilize at least 10% of its energy requirement from renewable sources
- e. Complete 4 high speed corridors of (2000 kms) and plan development of 8 others

The Indian Railway Industry will be required to procure high quality specialized cables in order to achieve the goals set by them. Moreover, the use of specialised cables will bring about higher efficiency in the overall operations of the Industry.

Metro Rail –

India is witnessing an explosion of Metro Rail projects. The metro rail network in the country is increasing with the mass rapid transit system emerging as one of the best solutions for urban transportation. Even as eight metro rail networks covering a length of 370 km are operational in the country, over two dozen more projects are lined up with around 520 km of metro lines under construction. Out of the two dozen projects, around

15 are lined up with the urban development ministry. The cities that have lined up their plans include Pune, Nagpur, Ahmedabad, Chennai, Vijayawada, Kozhikode, Indore, Bhopal, Patna, Guwahati, Kanpur and Varanasi. Further, there are proposals to implement metro rail systems in 40 cities of the country with a total investment of Rs. 5 lakh crores. All of the above initiatives are set to improve the demand for speciality cables significantly which are required in the metro rail industry.

Oil & Gas –

The Oil & Gas industry plays a pivotal role in how our world works every day. The demands of this industry are not only regular, but ever-changing as well. The oil and gas industry requires wire and cable products to perform at a high level in harsh environments. Reliability of wire and cable for the oil and gas industry is extremely important. The wire and cable products must be rugged and generally have a high resistance to chemicals. The oil and gas industry has very specialized products that are highly regulated. India's economic growth is closely related to energy demand; therefore, the need for oil and gas is projected to grow more, thereby making the sector quite conducive for investment.

The government has allowed 100% Foreign Direct Investment (FDI) in many segments of the sector, including natural gas, petroleum products, and refineries, among others. Major domestic players like Reliance Industries Ltd, Indian Oil Corp Ltd, Bharat Petroleum Corp Ltd, Hindustan Petroleum Corp Ltd, Oil and Natural Gas Corporation (ONGC) etc have planned huge investments in the sector to increase the capacity in the country. The oil and gas sector is witnessing strong impetus from the government as well as private players which is expected to boost the overall industry and will benefit the cable industry directly. Apart from this, the increase in safety measure requirements for the oil and gas industry will be beneficial for speciality cables & control cables.

Refining –

India is emerging as a refinery hub as the last decade showed a tremendous growth in the refining sector. Indian refineries have a total production capacity of 230 million tonnes and efforts to increase the same are underway. A total of 200 million tonnes of capacity addition are under implementation. According to ministry of Petroleum and Natural Gas, Oil marketing companies (OMCs) will be investing Rs. 90,000 crore by 2020 on fuel up gradation programme. The oil companies have

spent more than Rs. 28,000 crore after 2010 which is in addition to Rs. 35,000 crore that was already spent till 2010. They will further spend Rs 28,000 crore by 2020 for meeting the BS-VI specifications which will take the total investment to Rs. 90,000 crore only on fuel up gradation programme. One of the major changes to be made in the fuel up gradation programme will be modernization and up gradation of cables. Moreover, the requirement of refineries would increase three to four-fold more which is expected to drive the demand for the cable industry that caters to the refineries.

RISKS AND CONCERNS

Finance Cost Risk: Finance Cost risk arises due to payment of high rate of interest on term loans and other funds & non-fund based facilities being availed by the company from banks and other financial institutions. The company tries to minimize this risk by keeping a check on the interest rates charged by various banks and by swapping its long term/short term loans with banks charging lesser interest rates.

Liquidity Risk: Liquidity risk is the risk that the company may be unable to meet short term financial demands. This usually occurs due to the inability to convert a security or hard asset to cash without a loss of capital or income in the process. The company manages the liquidity risk by ensuring the availability of adequate funds at all times to meet its liability obligations on or before the due dates.

Raw Material Availability and Price Fluctuations: Scarce availability and price-volatility in Company's Basic Raw Materials - Copper, Aluminium, Steel, and PVC etc. can severely impact the profits of the Company. To mitigate these risks, the Company inculcates MOUs with its suppliers, price escalation clauses for large orders and hedges these raw-materials on the commodity exchange.

Foreign Exchange Risk: Foreign exchange risk is a financial risk posed by an exposure to unanticipated changes in the exchange rate between two currencies. Company imports a part of its raw materials and is also engaged in export of its products. To mitigate this risk, the company resorts to forward booking where deemed appropriate.

Human Resource Risk: In the absence of quality human resources, the company may not be able to execute its growth plans. To mitigate this risk, the company places due importance to its human capital assets and invests

in building and nurturing a strong talented pool to gain strategic edge and achieve operational excellence in all its goals.

FINANCIAL REVIEW

CORDS offers three major categories of cables: Instrumentation cables, Control cables, and Power cables. These categories have different contribution margins. Over the years, the company has gradually moved towards higher margin cables.

Results of Operations

(INR in Lacs)

Particulars	FY'17	FY'16
Gross Sales	35495.51	31021.30
Net Income from Operations	32340.92	28332.70
Total Expenditure	29044.24	25405.83
Consumption of Raw Material	25481.29	21821.38
Manufacturing Expenses	1312.57	1349.43
Staff Cost	1373.61	1479.97
Administrative & Other expenses	876.77	755.05
OPBITDA	3296.66	2926.87
Depreciation & Amortisation	545.25	541.67
OPBIT	2751.41	2385.20
Finance charges (Net)	2194.48	2086.75
OPBT	556.93	298.45
Non Operating Income / Other Income	210.83	188.93
PBT	767.76	487.38
Current Year tax	262.86	147.15
Deferred tax	1.69	29.65
PAT	503.21	310.58

During the year under review, Net Sales from Operations stood at **Rs. 32340.92 Lacs**, as against **Rs. 28332.70 Lacs** in FY'16.

The Operational Profit, before making provision for Interest, Depreciation and Amortization, stood at **Rs. 3296.66 Lacs** for FY'17 as against **Rs. 2926.87 Lacs** in FY'16. Thereby, the Profit After Tax during the year

stood at **Rs. 503.21** Lacs, as against **Rs. 310.58** Lacs in the previous Financial Year' 16.

The Company has been earning profits since inception. However, during the past few years profitability of the Company is adversely impacted primarily due to following reasons:

- The industry is competitive and hence the entire industry has been witnessing longer working capital cycle over the past few years, which has adversely affected your company as well. Changes in the working capital cycle impacts the overall finance costs.
- Your Company is mainly engaged in the business of manufacturing of cables to be used in Industries. During the past few years, due to the overall adverse economic environment around the globe, the investments in new projects were put on hold by most of the players including both public sector and private enterprises. The increase in the net sales was not at par with the expectations marginally due to lower realizations.

However, The Company is constantly working upon achieving better efficiencies, cutting costs at every stage of production, better preventive maintenance, making product mix having higher contribution and achieving higher production so that the company can achieve the scale of economy and maintain higher margin of profit. Also, the interest rates are expected to likely soften in near future and company is hence expected to save on its finance outgoes.

SEGMENTAL OVERVIEW

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

INTERNAL CONTROL SYSTEM

The system of Internal Control provides for maintenance of proper accounting records, reliability of financial information and assures its operations are effective and

efficient, and its activities comply with applicable laws and regulations. The internal audit is carried out by an independent firm of Chartered Accountants and covers all the key areas of the company's business and internal control systems.

INDUSTRIAL RELATIONS AND HUMAN CAPITAL

The Company strives to provide the best working environment with ample opportunities to grow and explore. The Company maintained healthy, cordial and harmonious industrial relations at all levels throughout the year. Every initiative and policy of the Company takes care of welfare of all its employees. The human resource development function of the Company is guided by a strong set of values and policies.

FUTURE OUTLOOK

The vision of CORDS is to be recognized as a leading global player, providing products and services, offering comprehensive solutions to the signalling, data and electrical connectivity requirements of businesses as well as household users. It focuses on capturing new markets by developing customers in new and existing territories, to provide new cables for special applications like solar, marine, low temperature cables, cables for automobiles etc.

CAUTIONARY STATEMENT

Statement made in this report in describing the company's objectives, estimates and expectations are "Forward looking Statement" within the meaning of applicable laws and regulations. They are based on certain assumptions and expectations of future events but the company, however, cannot guarantee that these assumptions are accurate or will be materialized by the company. Actual results may vary from those expressed or implied, depending upon the economic conditions, Government policies and/or other related factors.

DIRECTORS' REPORT

Dear Shareholders

Your Directors have pleasure in presenting the 26th Annual Report of your company together with the audited statement of accounts for financial year ended March 31, 2017.

FINANCIAL RESULTS

(INR in Lacs)

Particulars	FY 2016-17	FY 2015-16
Revenue from Operations	32340.92	28332.70
Other Income	210.83	188.93
Total Income	32551.75	28521.63
Operating Expenditure	29044.25	25405.83
Profit before interest, tax and depreciation (PBITD)	3507.49	3115.80
Finance Cost	2194.48	2086.75
Depreciation	545.25	541.67
Profit before tax (PBT)	767.76	487.38
Provision for Tax	264.55	176.80
Profit after Tax (PAT)	503.21	310.58
Profit brought forward from previous year	5075.90	4784.57
Profit available for appropriations	5579.10	5095.16
Appropriations:		
Proposed Dividend (Preference Dividend)	14.00	16.00
Corporate Dividend Tax	2.85	3.26
Transferred to General Reserve	-	-
Profit carried forward	5562.25	5075.90

COMPANY'S PERFORMANCE / STATE OF COMPANY'S AFFAIRS

During the year under review, your company's total revenue stood at Rs. 32,551.74 lacs as against Rs. 28,521.63 lacs in the previous year. Your Company earned Profit Before Interest, Tax and Depreciation of Rs. 3,507.49 lacs as against a PBITDA of Rs. 3,115.80 lacs in the previous year. The finance cost was Rs. 2,194.48 lac as against Rs. 2,086.75 lacs in the previous year.

Your company earned profit after tax for the year of Rs. 503.21 lacs as against a PAT of Rs. 310.58 lacs earned in the previous year. Even though your company witnessed a jump of over 62% in its Profits (after tax) in FY'16-17 vis-a-vis FY'15-16, in respect of the remuneration payable to the managerial person(s) it earned inadequate profits in the fiscal.

Your Company has been profitable since inception. However, the profitability was impacted due to high working capital requirements, which is a common phenomenon in this industry. In the past, due to weak

economic conditions, investments in new projects both by private sector as well as government sector were put on hold resulting in a slow pickup in demand. But the landscape is now gradually changing with Government's focus on Infrastructure development leading to a push in such projects. This augurs well for our industry. With infrastructure projects in Railways, Metros, Airport modernization, Oil Refineries, Real Estate, etc. picking up, demand for our products will also increase. Also, the softening interest rate scenario in the country and the repayment of term loans for project financing will enable your company to save on its Interest outgo. Further, your company has been continuously working upon improving efficiencies, cutting of costs and developing higher margin products. Your company is confident that all these efforts will result in an improvement in its performance and will further help in increasing its market share.

Newly added prestigious export/domestic clients

Your company, being a leading manufacturer of Controls and Instrumentation cables in the country enjoys strong brand image in the country.

During the year Your Company was successful in adding new clients which includes names such as Bombardier, Welspun, GE, ABB Global, Alstom Trasnsport etc. and it has also been able to maintain its relationship and garner regular business from existing clients like L&T, Siemens, EIL, NTPC, BHEL etc.

Your Company's current focus is on increasing its business from Freight Corridor, Smart Cities Mission, Railway signalling and Protection systems and Infrastructure projects.

CAPITAL STRUCTURE

The Authorised Capital of the Company is Rs. 17,10,00,000/- (Rupees Seventeen Crores Ten Lakhs Only) divided into 1,35,00,000 (One Crore Thirty Five Lacs) Equity Shares of Rs. 10/- (Rupees Ten) each and 3,60,000 (Three Lacs Sixty Thousand) Non Convertible Cumulative Redeemable Preference Share of Rs. 100/- (Rupees Hundred) each.

APPROPRIATIONS:

a) Transfer to Reserves

During the Financial year ended on March 31, 2017, no amount has been transferred to reserves.

b) Dividend

Your directors have recommend dividend @ 10% p.a. on:

- No(s) 1,60,000 Non Convertible Cumulative Preference Shares @10% p.a., from April 2016 till the date of redemption i.e. 14.11.2016.
- No(s) 1,60,000 Non Convertible Cumulative Preference Shares @10% p.a., from the date of issue (issued in various tranches) till March 31, 2017.

The Board of Directors, after duly considering the requirement of funds for Working Capital and repayment of loan instalments, have not recommended any dividend on equity shares for the year under review in view to further strengthen the financial position of your Company.

HUMAN RESOURCES

Our relations with the employees are very cordial. Your Directors would like to place on records their appreciation of the commitment and efficient services rendered by all employees of the company, without whose whole hearted efforts, the overall satisfactory performance of the company would not have been possible.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 125 of the Companies Act, your Company has transferred Rs. 47,653/- (Rupees Forty Seven Thousand Six Hundred

and Fifty Three only) to the Investor Education and Protection Fund, during the year 2016-17. This amount was lying as unpaid/unclaimed divided amount with the Standard Chartered Bank for a period of seven years from the date they became due for payment.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 30, 2016 (date of last Annual General Meeting) on the Company's website (www.cordscable.com), as also on the Ministry of Corporate Affairs' website.

Your Directors draw attention of the members to Note xiii of General Shareholder Information to the corporate governance report which sets out information relating to outstanding dividend accounts and the dates by which dividend can be claimed by the shareholders.

LISTING OF SHARES

The shares of the Company are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The listing fee for the year 2017-18 has already been paid to the stock exchanges.

ISO CERTIFICATES

Your company is to be awarded the globally recognized prestigious ISO 9001, ISO 14001:2004 and BS OHSAS 18001:2007 Certification, for meeting international standards of Quality, Environmental, Occupational Health and Safety Management Systems.

CREDIT RATING

Credit Analysis and Research Ltd. maintained the credit rating for the company's long term and short term debt at CARE BBB- ; Stable (Triple B Minus; Outlook: Stable) and CARE A3 (A Three) respectively.

MATERIAL CHANGES AND COMMITMENTS

During the period under review, your company has redeemed No(s) 1,60,000 Non convertible, cumulative, redeemable preference shares allotted No(s) 80,000 each to Mr. Naveen Sawhney and Mr. Devender Kumar Prashar. Your company has also issued and allotted No(s) 1,60,000 Non convertible, cumulative, redeemable preference shares of Rs. 100 each to Mr. Naveen Sawhney.

The above mentioned Preference Shares are not listed in any of the Stock Exchanges.

During the year under review, M/s Alok Misra & Co. Chartered Accountants (Firm Registration No. 018734N), has been appointed as Statutory Auditors for