



# Annual Report 2022-23

**CORDS CABLE INDUSTRIES LIMITED**

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**CORPORATE INFORMATION****BOARD OF DIRECTORS**

Mr. Naveen Sawhney	Managing Director
Mr. Sanjeev Kumar	Whole Time Director (resigned w.e.f. July 28, 2023)
Mr. Pawan Kumar Maheswari	Whole Time Director (joined w.e.f. July 29, 2023)
Mr. Parveen Kumar	Non -Executive Director
Mr. Prem Kumar Vohra	Non -Executive Director
Mrs. Eila Bhatia	Non -Executive Director
Mr. Rahul Mohnot	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. Pramod Singh Rawat	Works Manager
Mr. Anil Kumar Gupta	General Manager (Technical)
Mr. Jugendra Singh	General Manager (Sales & Marketing)
Mr. Ajay Dixit	General Manager (Sales & Marketing)
Mr. Pratyaksh Agarwal	General Manager (Technical)

**COMPANY SECRETARY**

Ms. Garima Pant

**CHIEF FINANCIAL OFFICER**

Mr. Sandeep Kumar

**REGISTRAR AND SHARE TRANSFER AGENT**

Link Intime India Private Limited  
Noble Heights, 1st Floor, C- 1 Block  
LSC, Near Savitri Market  
Janakpuri, New Delhi- 110028  
Tel No - +91-011-49411000  
Fax No- +91-011-41410591  
[Email-delhi@linkintime.co.in](mailto:Email-delhi@linkintime.co.in)

**INTERNAL AUDITOR**

M/s Agarwal Nikhil & Co.  
Chartered Accountants  
Noida, U.P.

**STATUTORY AUDITORS**

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

**BANKERS / FINANCIAL INSTITUTIONS**

Canara Bank Limited  
ICICI Bank Limited  
Bandhan Bank Limited  
Karnataka Bank Limited  
HDFC Bank Limited  
IndusInd Bank Limited  
Bajaj Finance Limited  
Tata Capital Financial Services Limited  
Rajasthan State Industrial Development & Industrial Corporation Ltd. (RIICO Ltd.)

**STOCK EXCHANGES**

Bombay Stock Exchange Limited  
National Stock Exchange of India Limited

**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 - [cscoc@cordscable.com](mailto:cscoc@cordscable.com)  
For Others - [ccil@cordscable.com](mailto:ccil@cordscable.com)  
Website - [www.cordscable.com](http://www.cordscable.com)

**PLANT LOCATIONS**

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

**REGIONAL OFFICES**

(1) Mumbai (2) Hyderabad (3) Kolkata (4) Chennai



## Board's Report

Dear members,

The Board of Directors of **Cords Cable Industries Limited** ("Company") hereby submits the 32<sup>nd</sup> report on the business and operations, along with the audited financial statement for the financial year ended **March 31, 2023**.

### The Financial summary and highlights

(Amount in ₹ Lacs)

Particulars	For Year ended	
	March 31, 2023	March 31, 2022
Revenue from operations	52,625.51	43,799.24
Other income	139.21	122.79
Total revenue	52,764.72	43,922.03
Operating Expenses	48,671.97	39,977.86
Profit before Interest, Depreciation and Tax (PBITD)	4,092.75	3,944.17
Finance cost	2,349.29	2,351.63
Depreciation	768.91	733.08
Profit (Loss) before tax (PBT)	974.55	859.46
Provision for tax including deferred tax	252.61	222.90
Profit (Loss) for the year	721.94	636.56
Balance at the beginning of period	8,494.98	8,018.42
Amounts available for appropriation	9216.92	8654.92
Transfer to Capital Redemption Reserve Account	-	160.00
Transfer to General Reserve	-	-
Dividend	-	-
Balance at the end of period	9,216.92	8,494.98
Earnings per share (basic and diluted)	5.52	4.91

### The state of the company's affairs and business performance

The primary source of revenue for your company stems from the manufacturing and sale of high-quality customized cables conforming to both Indian and international specifications. This encompassing range includes Control, Instrumentation, and custom-designed cables, along with Low Voltage (LV) power cables. The Company has adeptly addressed the distinct needs of diverse industries, including Power, Oil and Gas, Refineries, Steel, Chemicals, Cement, Water Desalination, Metro Rail, Airports, and various other sectors.

During the financial year under review, the total income was ₹ 52,764.72 lacs as against ₹ 43,922.03 lacs in the previous year. Your Company earned Profit Before Interest, Tax and Depreciation of ₹ 4,092.75 lacs as against a PBITDA of ₹ 3,944.17 lacs in the previous year. The finance cost was ₹ 2,349.29 lacs as against ₹ 2,351.63 lacs in the previous year. The total comprehensive income comprising profit / loss and other comprehensive income for the period is ₹ 713.32 lacs as against a PAT of ₹ 635.27 lacs earned in the previous year.

Your company in the last Financial Year obtained approval from prestigious domestic / global customers covering sectors like Hydrocarbon, Power, Fertilizers & Chemicals, Cements, Metros, Water, Railways and infra projects and have obtained approvals from various customers like Ahmedabad Water supply, U.P. Jal Nigam, NCRTC Projects, SRF, Kutch Copper, Carbon Black, Adani Infra for Power, Control, Instrumentation and Communication cables. Besides, your Company has successfully obtained CE Marking Certification for our products and also obtained approval from Adnoc (UAE) for their products. Your Company has also executed large volume orders between ₹ 25 Cr. to ₹ 50 Cr. from prestigious customers like, L & T Hydrocarbon A/c IOCL Paradip, TPLA/c HRRL, Technimont, Ultratech Cement, Technip Paradeep, TPL-ONGC Kakinda, etc. Your Company's current focus is on increasing its business from various sectors including Pharma, Cement, Steel, Automobile industry apart from Hydrocarbons, Metros, Water Projects, Process Industry, Railways Signalling and Protection systems and infrastructure projects. Your Company also participated in various national and international electrical exhibitions including, ELECRAMA, ADIPEC – Abu Dhabi and Nigeria Oil & Gas – Abuja, Nigeria, etc.

During the period under review no material change in the future prospectus of said business activities is expected from overall economic scenario. The state of the company's affairs is as given in the enclosed financial statement and summary as given herein above. The segment wise reporting is not applicable to the Company as revenues of the Company are only from one segment.

During the year under review, no change took place in the name or status of your Company and in the financial year of the Company. There is no transaction or event involving any acquisition, merger, induction of financial or strategic partners, and diversification by your company. The company has not developed, acquired, or assigned any material intellectual property rights during the financial year under review. Further, there is no other material event having an impact on the affairs of the Company.

### Change in the nature of business

During the period under review, no change has occurred in the nature of business carried by your company as it has not commenced any new business or discontinued or disposed-off any of its existing businesses.

### Material Changes and Commitments

No material changes and commitments, either external or internal such as technical, legal, financial, strikes, breakdown and lockdown; affecting the financial position of the Company have occurred between the end of the financial year of the company to which the financial statement relates and the date of signing of this Report. Further, your Company has not revised any of its financial statements or the boards report in respect of the three preceding financial years either voluntarily or pursuant to the order of a judicial authority.

### Particulars of Subsidiaries, Joint Ventures and Associate Companies

As on date of this report, your company does not have any subsidiary, joint ventures, and Associate Company. Further, during the period under review no company became or ceased to be its subsidiaries, joint venture, or Associate Company.

### Change in capital structure

As at the end of financial year on March 31, 2023, the authorised share capital of the Company is ₹ 1710.00 lacs divided into 1,35,00,000 equity shares of ₹ 10 each and 3,60,000 Preference Share of ₹ 100 each. Whereas the paid-up capital of the Company as at the end of financial year on March 31, 2023, is ₹ 1292.78 lacs divided into 1,29,27,780 equity shares of ₹ 10 each.

During the financial year under review, no change took place in the authorised, issued, subscribed and paid-up share capital of the Company. Accordingly, the disclosures relating to issue of shares, warrants, convertible securities, equity shares with differential voting rights, sweat equity shares, employees stock options and shares held in trust for the benefit of employees are not applicable to your Company.

### Borrowings and credit rating

Your company has not issued any debentures, bonds, or any other non-convertible securities to borrow money. The company has availed credit facilities from banks, financial institutions, and other entities. The ratings assigned by CareEdge Ratings (CARE Ratings Ltd.) to the credit facilities of your company are summarized as follows:

Facilities / Instruments	Rating	Remarks	Rating Definition
Long-term Facilities / Instruments	CARE BBB; Stable (Triple B; Outlook: Stable)	Reaffirmed	This rating is applicable to facilities having tenure of more than one year. Instruments with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate credit risk. 'Stable' outlook indicates expected stability (or retention) of the credit ratings in the medium term on account of stable credit risk profile of the entity in the medium term.
Short-term Facilities / Instruments	CARE A3 (A Three)	Reaffirmed	This rating is applicable to facilities having tenure up to one year. Instruments with this rating are considered to have moderate degree of safety regarding timely payment of financial obligations.

### Deposits

During the period under review, your company has not accepted any deposits as covered under Companies (Acceptance of Deposits) Rules, 2014 and no amount remained unpaid or unclaimed as at the end of the financial year. As your company has not accepted any deposits, therefore, no default in repayment of deposits or payment of interest thereon during the financial year under review. Further, there is no deposit which is not in compliance with the requirement of aforesaid rules.

The particulars of loan and advances not considered as deposits and not covered under Companies (Acceptance of Deposits) Rules, 2014 is as follows:

Particulars	Amount as at March 31, 2023 (₹ Lacs)
Loan from regional financial institutions	1,301.57
Loan from scheduled banks	2,571.37
Loan received from other Companies	4,243.04
Loan from directors	160.00
Security amount received from employees	3.89
Advance for supply of goods or services	94.38
Total	8,374.25

### Dividend and other corporate actions

At the preceding Annual General Meeting of the Company, Dividend @ 10% p.a. on 1,60,000 Cumulative Redeemable Non-Convertible Preference Shares of ₹ 100 each for the financial year 2021-22 up to the date of redemption of such preference shares was declared and has been already paid during the year.

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. This will further strengthen the financial position and help to accelerate the future growth plans of your Company.

The Company was not required to complete or implement any corporate action as there was no event related to declaration of dividend, buy back of securities, merger, demerger, listing or delisting of securities and split or consolidation of securities.

### Transfer to Investor Education and Protection Fund

Pursuant to Section 125 and other applicable provisions of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all the unpaid or unclaimed dividends are required to be transferred to the IEPF established by the Central Government, upon completion of seven years.

Further, according to the IEPF Rules, the shares in respect of which dividend has not been paid or claimed by the Shareholders for seven consecutive years or more are also required to be transferred to the Demat account of IEPF Authority.

Your Company does not have any unpaid or unclaimed dividend or shares relating thereto which is required to be transferred to the IEPF till the date of this Report.

### Transfers to reserves

Directors do not propose to transfer any amount for transfer to any reserve or general reserve of the Company.

### Particulars of loans, guarantees or investment

The company has not granted any loan, guarantee, or provided security and has not made any investment falling within purview of section 186 of the Companies Act, 2013. The particulars of investments under section 186 of the Companies Act, 2013 are annexed herewith as 'Annexure-1'.

### Particulars of contracts, arrangements and transactions with the related parties

The Company has a Policy on Related-Party Transactions in place which is in line with the Act and the SEBI Listing Regulations and the same is also available on the Company's website at <http://www.cordscable.com/cordscable/Related%20Party%20Policies.pdf>.

During the period under review, your company has not entered into any contract or arrangement with related parties as referred to in section 188 (1) of the Companies Act, 2013. None of the Directors has any pecuniary relationship or transaction(s) vis-a-vis the company except remuneration and sitting fees.

No material related-party transactions were entered into during the financial year by the Company. Therefore, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form No. AOC-2 is not applicable to the Company and hence the same is not provided.

The related-party transactions that were entered into during the financial year were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the SEBI Listing Regulations.

Apart from the transaction mentioned above, there were no materially significant related party transactions entered into by your Company with the Promoters, Directors, Key Managerial Personnel, or other designated persons which might have potential conflict with the interest of the Company at large, during the financial year under review.

Further, the related party transactions attracting the compliance under Section 177 of the Companies Act,

2013 and/or SEBI Listing Regulations were placed before the Audit Committee on quarterly basis for necessary approval/review. Also, a statement of all related party transactions entered was presented before the Audit Committee on quarterly basis, specifying the nature, value and any other related terms and conditions of the transactions.

During the period under review Related-Party transactions were also disclosed to the Board on regular basis as per IND AS-24. Details of related-party transactions as per IND AS-24 may be referred to in Note 32 (D) of the Financial Statement.

The transactions with persons or entities belonging to the promoter or promoter group which hold 10% or more shareholding in the Company as required under Schedule V, Part A (2A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, have been disclosed in the accompanying financial statement at note no. 32 (D).

#### **Particulars of Director and Key Managerial Personnel and changes**

The particulars regarding the persons holding office as directors and key managerial persons during the financial year under along with particulars of changes among them upon appointment, re-appointment or cessation is annexed herewith as 'Annexure-2'.

#### **Statement and declaration in respect of Independent Directors**

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of Independence as laid down under section 149 (6) of the Companies Act, 2013 read with rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015.

In terms of Regulation 25 (8) of SEBI Listing Regulations, the independent directors of the Company have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

The Board of Directors of the Company has taken on record the aforesaid declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the veracity of the same. In the opinion of the Board, all the independent directors fulfil the conditions of independence as specified in the Act and the Rules made thereunder and are independent of the management. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications,

experience, and expertise in the fields of science and technology, industry experience, strategy, sales, marketing, finance and governance, information technology and digitalization, human resources, safety, and sustainability and that they hold the highest standards of integrity.

The independent directors also confirmed that they have complied with the Company's Code of Conduct for Independent Directors prescribed in Schedule IV to the Companies Act, 2013. The Certificate of Independence received from all the Independent Directors have been duly noted by the Board at its meeting held on May 20, 2023.

A statement of the Board of Directors with regard to integrity, expertise and experience of independent directors appointed during the financial year 2022-23 is annexed herewith as 'Annexure-3'.

#### **Meeting of independent directors**

The Independent Directors met once during the financial year under review on January 21, 2023, pursuant to Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule IV to the Companies Act, 2013, inter-alia, to discuss:

- Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of performance of Chairman of the Company, taking into views of Executive and Non-Executive Directors;
- Evaluation of the quality, content, and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Meeting of the Independent Directors was conducted without the presence of the Chairman, Managing Director, Non-Executive Directors, Chief Financial Officer and the Company Secretary and Compliance Officer of the Company.

#### **Familiarization program for independent directors**

The Independent Directors attend a familiarization and orientation program on being inducted into the Board. The details of familiarization and orientation program are provided in the Corporate Governance Report and are also available on the Company's website at [http://cordscable.com/cordscable/Familiarisation\\_Programme.pdf](http://cordscable.com/cordscable/Familiarisation_Programme.pdf).

#### **Nomination and Remuneration Committee, policy on appointment of directors**

The Nomination and Remuneration Committee ("NRC") is responsible for developing competency requirements for the Board based on the industry and strategy of the Company. The Board composition analysis reflects in-



depth understanding of the Company, including its strategies, environment, operations, financial condition, and compliance requirements.

The NRC conducts a gap analysis to refresh the Board on a periodic basis, including each time a director's appointment or re-appointment is required. The Committee is also responsible for reviewing the profiles of potential candidates vis-à-vis the required competencies and meeting potential candidates, prior to making recommendations of their nomination to the Board. At the time of appointment, a specific requirement for the position including expert knowledge expected is communicated to the appointee.

During the year under review, the Board has also reviewed the list of core skills, expertise and competencies of the Board of Directors as are required in the context of the businesses and sectors applicable to the Company which were mapped with each of the Directors on the Board. The same is disclosed in the Corporate Governance Report forming part of the Annual Report.

#### **Criteria for Determining Qualifications, Positive Attributes, and Independence of a Director**

The NRC has formulated the criteria for determining qualifications, positive attributes, and independence of directors in terms of provisions of Section 178(3) of the Act and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations.

**Independence:** In accordance with the above criteria, a director will be considered as an 'Independent Director' if (s)he meets the criteria for Independence as laid down in the Act and Rules framed thereunder, as amended and Regulation 16(1)(b) of the SEBI Listing Regulations.

**Qualifications:** A transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age, and gender. It is also ensured that the Board has an appropriate blend of functional and industry expertise. While recommending the appointment of a Director, the NRC considers the manner in which the function and domain expertise of the individual will contribute to the overall skill-domain mix of the Board.

**Positive Attributes:** In addition to the duties as prescribed under the Act, the Directors on the Board of the Company are also expected to demonstrate high standards of ethical behaviour, strong interpersonal and communication skills, and soundness of judgement. Independent Directors are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Act.

#### **Remuneration policy and remuneration of directors and key managerial personnel**

On the recommendation of the NRC, the Board has adopted and framed a Remuneration Policy for the Directors, Key Managerial Personnel, and other

employees pursuant to the provisions of the Act and the Listing Regulations. The remuneration determined for Executive Directors is subject to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors. The Executive Directors are not paid sitting fees; the Independent Directors are entitled to sitting fees for attending the Board Meetings.

It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and all other employees is in accordance with the Remuneration Policy of the Company. The Remuneration Policy of your Company can be viewed at the following link: [http://cordscable.com/cordscable/Nomination\\_Remuneration\\_Policy.pdf](http://cordscable.com/cordscable/Nomination_Remuneration_Policy.pdf).

The particulars regarding remuneration of the Directors and Key Managerial Personnel along with details of ratio of remuneration of each Director to the median remuneration of employees of the Company for the financial year under review is given in '**Annexure-4**'.

A statement containing particulars of top ten employees and the employees drawing remuneration in excess of limits prescribed under Section 197 (12) of the Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in '**Annexure-4**'.

In terms of proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the shareholders including the aforesaid Annexure. The aforesaid Statement is also open for inspection at the Registered Office of the Company, up to the date of the ensuing Annual General Meeting. Any member interested in obtaining a copy of the same may write to the Company Secretary.

Neither the Managing Director nor the Whole-time Director of your Company receives any remuneration or commission from any of its subsidiaries as there was no such subsidiary company during the period under review.

#### **Details of board meetings and constitution of various committees**

The Board of Directors of your Company had already constituted various Committees in Compliance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Committee of Directors, and Corporate Social Responsibility Committee.

All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of reference and the role of the committees are taken by the Board of Directors.

Details of the role and composition of these committees, including the numbers of meetings held during the financial year and attendance at meetings, are provided in the Corporate Governance Section, which forms part of the Annual Report.



**Listing and dematerialization of securities and the status of listing fee**

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 2022-23 has already been paid to the stock exchanges. The equity shares are available for dematerialization through National Securities Depository Limited and Central Depository Services (India) Limited and ISIN assigned to the equity shares is INE792I01017.

**Corporate Governance**

The Governance, Corporate Secretarial and Legal functions of the Company ensure maintenance of good governance within the organization. The existence of good corporate governance is essential for the businesses to function smoothly ensuring compliant at all times and providing strategic business partnership in the areas including legal expertise, corporate restructuring, regulatory changes and governance.

As required by Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), a detailed report on Corporate Governance together with the Auditor's Certificate on its compliance forms part of the Annual Report as 'Annexure-5'.

A certificate issued by M/s Gupta Gulshan & Associates, Company Secretaries, regarding compliance with the conditions of Corporate Governance as stipulated in Regulation 34(3) and Schedule V of SEBI (Listing Obligation and Disclosure Requirements), 2015 has been obtained and is annexed at the end of Corporate Governance Report in the aforesaid annexure.

Also, a declaration signed by the Managing Director stating that the members of the Board of Directors and Senior management personnel have affirmed the compliance with code of conduct of the Board of Directors and Senior Management is forms part of this report. The code can be viewed at the following link: <http://www.cordscable.com/cordscable/Code%20of%20Conduct%20for%20the%20Directors%20and%20Senior%20Management%20Team.pdf>

**Managing Director and Chief Financial Officer certification**

The Managing Director and the Chief Financial Officer of the Company has given a certificate to the Board as contemplated under Regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirements), 2015. The certificate is annexed with this report as 'Annexure-6'.

**Management Discussion and Analysis**

The Management Discussion and Analysis and the Business Responsibility Report as required under the SEBI Listing Regulations form part of this report as 'Annexure-7'.

**Insider trading code**

The company has adopted an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Designated Persons ("the Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (The PIT Regulations). The Code is applicable to Promoters, Member of Promoter's Group, all Directors, and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said PIT Regulations. The company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with the PIT Regulations. All Board Directors and the designated persons have confirmed compliance with the Code. This Code is displayed on company's website viz. <http://www.cordscable.com/cordscable/PIT%20Policy.pdf>

**Electronic Filing**

The company is also periodically uploading Annual Reports, Financial Results and Shareholding Pattern etc. on its website viz. [www.cordscable.com](http://www.cordscable.com) within the prescribed time limit.

**Formal annual evaluation by the Board of its own performance and that of its committees**

The Board has carried out an annual evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its committees. The NRC has defined the evaluation criteria, procedure, and time schedule for the Performance Evaluation process for the Board, its Committees and Directors.

The performance of the Board and individual Directors was evaluated by the Board after seeking inputs from all the Directors. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members.

The criteria for performance evaluation of the Board included aspects such as Board composition and structure, effectiveness of Board processes, contribution in the long-term strategic planning, etc. The criteria for performance evaluation of the Committees included aspects such as structure and composition of Committees, effectiveness of Committee Meetings, participation of individual director in deliberations among other attributes in such meetings.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017. The Board of Directors has expressed its satisfaction with the evaluation process.

**Directors' Responsibility Statement**

The Board of Directors acknowledge the responsibility for ensuring compliance with the provisions of Section 134 (3) (c) read with Section 134 (5) of the Companies Act, 2013 in the preparation of the annual accounts. Accordingly, Directors of your company make the following statement(s) in term of Section 134 of the Companies Act, 2013, which is to the best of their knowledge and belief and according to the information and explanations obtained by them:

- a) In the preparation of the annual accounts for the year ended **March 31, 2023**, the applicable accounting standards have been followed and there are no material departures.
- 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 your company at the end of the financial year on **March 31, 2023**, and of the profit of the company for the period ended on that date.
- c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The directors had prepared the annual accounts for the year ended on **March 31, 2023**, 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 are 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.

**Internal financial control systems and their adequacy**

Based on the framework of internal financial controls and compliance systems, established, and maintained by the company, work performed by the internal, statutory, and secretarial auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee; the board is of the opinion that company's internal financial controls were adequate and effective during the financial year under review. The directors review the financial control systems from time to time and adequate steps are taken to strengthen such systems. The details in respect of internal financial control and their adequacy are also included in the Management Discussion and Analysis.

**Audit committee and its recommendations**

Pursuant to the provisions of Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 and Regulation 18 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this Annual Report. As all recommendations of the Audit Committee has been accepted by the Board, hence it is not required to disclose reasons for not accepting such recommendations.

**Vigil mechanism and whistle blower policy**

The company has established a vigil mechanism by adopting a Whistle Blower Policy for stakeholders including directors and employees of the Company and their representative bodies to report genuine concerns in the prescribed manner to freely communicate their concerns and grievances about illegal or unethical practices in the company, actual or suspected, fraud or violation of the Company's Code or Policies.

The vigil mechanism is overseen by the Audit Committee and provides adequate safeguards against victimization of stakeholders who use such mechanism. It provides a mechanism for stakeholders to approach the Chairman of Audit Committee or Chairman of the Company.

During the year, no person was denied access to the Chairman of the Audit Committee or to the Chairman of the Company. The Whistle Blower Policy of the Company is available at web link <http://www.cordscable.com/cordscable/Whistle%20Blower%20Policy.pdf>

**Appointment of statutory auditors, audit report and reporting of frauds**

The members at 30<sup>th</sup> annual general meeting of the Company approved the re-appointment of M/s Alok Misra & Co., Chartered Accountants, (FRN 018734N) as the Statutory Auditor of the company to hold the office for a second term of five years i.e., from the conclusion of 30<sup>th</sup> annual general meeting and until the conclusion of 35<sup>th</sup> annual general meeting.

The Statutory Auditors, "M/s Alok Misra & Co., Chartered Accountants" have submitted a certificate confirming their eligibility under Section 139 of the Act and meet the criteria for appointment specified in Section 141 of the Act. Further, the company has also received declaration from the Auditors that they are not disqualified for such appointment/reappointment under the said act.

The auditor's report is annexed with the financial statements for the financial year under review. The auditor's report does not contain any qualification, reservation, adverse remark, or disclaimer hence no explanation or comments of the Board are required in this regard. The observations of statutory Auditors in their