

## **CYBELE INDUSTRIES LIMITED**

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### **BOARD OF DIRECTORS**

**Mr.P.A.JOYKUTTY**

*Chairman & Managing Director*

**Mrs.Annamma Joy**

*Joint Managing Director*

**Mr. Thomas P. Joy**

*Executive Director*

**Mr. N. Karuppiah**

*Director*

**Mr. Sunny Kutty George**

*Director*

**Mr. George Baby George**

*Director*

### **MANAGEMENT TEAM**

**Mr.P.A.JOYKUTTY**

*Chairman & Managing Director*

**Mrs.Annamma Joy**

*Joint Managing Director*

**Mr. Thomas P. Joy**

*Executive Director*

### **AUDITORS**

**M/s. KARPAGAM & CO.,**

Chartered Accountants

4, Balaji Avenue 1<sup>st</sup> Street,

T.Nagar, Chennai - 600 017.

### **REGISTERED OFFICE**

No.138, SIDCO Industrial Estate

Ambattur, Chennai – 600 098.

## **CYBELE INDUSTRIES LIMITED**

### **NOTICE FOR THE TWENTIETH ANNUAL GENERAL MEETING**

NOTICE is hereby given that the **Twentieth Annual General Meeting** of the Company will be held at the Company's Registered Office at No.138, SIDCO Industrial Estate, Ambattur, Chennai - 600 098 on Friday, the 27<sup>th</sup> September, 2013 at 10.00 A.M. to transact the following business :

#### **ORDINARY BUSINESS :**

1. To receive, consider and adopt the Profit and Loss Account for the year ended 31<sup>st</sup> March, 2013 and the Balance Sheet as on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr.Sunny Kutty George, who retires by rotation and being eligible offers himself for re-election.
3. To appoint Auditors and to fix their remuneration :  
M/s. Karpagam & Company, Chartered Accountants, Chennai, retire and are eligible for re-appointment.

#### **SPECIAL BUSINESS:**

4. 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 17 and other applicable provisions, if any, of the Companies Act 1956, consent of the members of the company be and is hereby accorded for inserting the new Clause III (C) 12 of the Memorandum of Association in the other objects of the Company.

To carry on trading of equity shares, derivatives, commodities through the recognized stock exchanges and to carry on business of buy, invest in and acquire, hold and dispose off the shares, stocks, debentures, debenture-stock, commodities, bonds, obligations and other securities by whatever name called.

(By Order of the Board)  
for **CYBELE INDUSTRIES LIMITED**

Place : Chennai  
Date : 30.05.2013

**P.A. JOYKUTTY**  
Chairman &  
Managing Director

## CYBELE INDUSTRIES LIMITED

### EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 ANNEXED TO THE NOTICE FOR THE TWENTIETH ANNUAL GENERAL MEETING

#### ITEM NO.4

In terms of the provisions of Section 17 of the Companies Act, 1956, it is proposed to alter the Other Objects Clause of the Memorandum of Association of the Company to enable to carry on business of trading and investment activities in the shares and commodities and other related activities. Hence the proposed resolution.

Your Directors recommend the passing of the SPECIAL RESOLUTION in the interests of the Company.

None of the Directors is interested or concerned in the passing of the resolution.

#### NOTES:

1. ANY MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXIES SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 25<sup>th</sup> September, 2013 to 27<sup>th</sup> September 2013 (both days inclusive)

3. Members / Proxies should bring the attendance slip duly filled in for attending the Meeting.
4. All documents referred to in the accompanying Notice are open for inspection at the Company's Registered Office during Office hours on all working days up to the date of the Annual General Meeting.
5. Members holding shares in physical form are requested to dematerialize the shares in electronic form to facilitate faster transfer and avoid rejections for bad deliveries. The share certificates may be sent directly to the Company Secretary / Registrar and Transfer Agents.
6. The Company's Equity Shares are presently listed at the Mumbai (BSE) and Madras (MSE) Stock Exchanges.

**Information required to be furnished under the Listing Agreement about the particulars of Directors who are proposed to be appointed / re-appointed at the Twentieth Annual General Meeting.**

- a) Mr. Sunny Kutty George holds a Bachelor Degree is aged about 51 years. He has wide experience in the field of Administration and Management. He is not holding any Directorship / Membership in the Board / Committee of other Companies.

## CYBELE INDUSTRIES LIMITED

### DIRECTOR'S REPORT

Your Directors hereby present the Twentieth Annual Report together with the Audited Accounts for the year ended 31<sup>st</sup> March, 2013

#### FINANCIAL RESULTS

	2012-2013	2011-2012
	( Rs. in Lakhs)	
Profit before Interest and Depreciation	470.49	710.41
Less : Interest	20.12	92.94
Profit before Depreciation	450.37	617.47
Less : Depreciation	58.97	52.62
	391.40	564.85
Less : Preliminary exp. written off	10.00	10.00
Net Profit carried to B/S	381.40	554.85

#### DIVIDEND

The Board of Directors could not recommend any dividend due to future expansion activities of the Company.

#### OPERATIONS

During the year under review, the Company has taken steps to improve the operations of the Company. The Company achieved a revenue of Rs.16.56 Crores and net profit of Rs.3.81 crores. The Directors are taking all the steps to improve the performance of the Company in the years to come.

#### PERSONNEL

No employee was in receipt of remuneration in excess of the limits specified under Section 217(2A) of the Companies Act, 1956.

#### ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

Information pursuant to Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 is furnished in the Annexure.

#### DIRECTORS

Mr. Sunny Kutty George retires at the ensuing Annual General Meeting and offers himself being reappointed as Director.

#### DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Director's Responsibility Statement, it is hereby confirmed that :

- (i) in preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2013, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the year under review;
- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the directors had prepared the accounts for the financial year ended 31<sup>st</sup> March, 2013 on a 'going concern' basis.

#### AUDITORS

M/s. Karpagam & Co., the Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

#### CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreements with the Stock Exchanges, a Report on Corporate Governance with Auditor's Certificate on compliance of conditions of Corporate Governance with Auditor's Certificate on compliance of conditions of Corporate Governance and a Management Discussion & Analysis Report have been attached to form part of the Annual Report.

#### ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation of the dedication and excellent contribution made by all the concerned. The Directors would like to thank the Suppliers and above all the Shareholders and valued Customers for their continued support and patronage.

(By Order of the Board)  
for **CYBELE INDUSTRIES LIMITED**

Place : Chennai  
Date : 30.05.2013

**P.A. JOYKUTTY**  
Chairman &  
Managing Director

## CYBELE INDUSTRIES LIMITED

### ANNEXURES TO DIRECTOR'S REPORT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2013

Information pursuant to the Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosures of particulars in the Report of Board of Directors) Rules, 1988.

**A. CONSERVATION OF ENERGY :**

Energy conservation measures are being taken with in our Plant as an ongoing exercise.

**B. TECHNICAL ABSORPTION :**

**FORM B**

**RESEARCH AND DEVELOPMENT**

1. Specific areas in which R & D carried out by the Company :
2. Benefits derived as a result of the above R & D : Nil
3. Future plan of action :
4. Expenditure on R & D :
  1. Capital
  2. Recurring
  3. Total
  4. Total R & D expenditure as a percentage of total turnover

**TECHNOLOGY ABSORPTION, ADAPTATION, AND INNOVATION :**

1. Efforts, in brief, made towards technology absorption, adaptation and innovation
2. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc. : Nil

3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished : Nil

(a) Technology imported :

(b) Year of import

(c) Has technology been fully absorbed ?

(d) If not fully absorbed, areas where this has not taken place, reasons therefor and future plans of action

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO :**

i) Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plans : nil

ii) Total foreign exchange used and earned:

	<b>Current Year</b>	<b>Previous Year</b>
	(Rs. in Lakhs)	
Used	—	—
Earned	—	28.86

(By Order of the Board)  
for **CYBELE INDUSTRIES LIMITED**

Place : Chennai  
Date : 30.05.2013

**P.A. JOYKUTTY**  
Chairman &  
Managing Director

## **CYBELE INDUSTRIES LIMITED**

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

#### **INDUSTRY STRUCTURE**

The Company is engaged in the business of manufacture and sale of Building Cables, Flexible Cables, Power Cables, Submersible Pump Cables, Automotive Cables, Control Cables and Railway Signaling Cables which are classified under the Industrial Structure as Electrical Cables and Wires and also in property development.

#### **OPPORTUNITIES AND THREATS**

The product portfolio of the Company is dominated by threats posed by manufacturers in un-organised sector. As the Government is initiating various measures to encourage the infrastructure and housing sector, there is possibility of increase in demand for cables and wires and also improvement in the real estate sector.

#### **RISK AND CONCERNS**

The fortune of the Company is dependent on entry barriers set up by electrical cables and wires business in the unorganized sector. Further as a manufacturer in the organized sector, the fixed costs in terms of administrative expenses are high.

#### **OUTLOOK**

The Company is doing well in business activities. The Company is expecting improvement in the coming days.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has adequate internal control system monitored by Internal Auditors who are reporting to the Audit Committee. The Audit Committee is meeting periodically for reviewing the performance of the Company and formulating policies / issuing guide lines to the Management.

#### **FINANCIAL PERFORMANCE**

The Company has made a profit of Rs.3.81 crores during the year. The Company is taking necessary steps to improve the performance of the company.

#### **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT**

During the year under review, the relationship between the staff and management was good and cordial.

## CYBELE INDUSTRIES LIMITED

### REPORT ON CORPORATE GOVERNANCE (2012-13)

#### 1. Company's Philosophy :

Adherence to the Corporate Governance Standards by practicing principles of transparency, integrity and social accountability in all its operations.

#### 2. Board of Directors :

Name of the Directors, Designation and Category	No. of Shares held	No. of Board Meetings attended	Attendance at last AGM	No. of other Directorships	Other Committee Membership	
					Chairman	Member
1 Mr.P.A.Joykutty Chairman and Managing Director Promoter Executive	3962848	5	Yes	—	—	—
2 Mr.Thomas P.Joy Executive Director Promoter Executive	290800	5	Yes	—	—	—
3 Mrs. Annamma .Joy Joint Managing Director Promoter Executive	2907050	5	Yes	—	—	—
4 Mr.George Baby George Non Executive Independant	—	4	No	—	—	—
5 Mr. N. Karuppiah Non Executive Independent	—	5	Yes	—	—	—
6 Mr. Sunny Kutty George Non Executive Independent	—	4	No	—	—	—

Number of Board Meetings held : 5

Dates on which held : 26<sup>th</sup> May, 2012; 28<sup>th</sup> July, 2012; 28<sup>th</sup> October, 2012;  
31<sup>st</sup> January, 2013 and 9<sup>th</sup> February, 2013

#### 3. Audit Committee :

The Company has an Audit Committee comprising of three Non-Executive Independent Directors namely, Mr. N. Karuppiah acting as Chairman, Mr. Sunny Kutty George and Mr. George Baby George are Members.

The Audit Committee oversees the Company's financial reporting process, reviews the annual financial statements with Management and holds discussions with internal and external auditors about the scope of audit and adequacy of internal control systems. The Committee held four meetings during the year.

#### 4. Remuneration Committee :

The Board has constituted a Remuneration Committee comprising of three Non-Executive Independent Directors namely, Mr. N. Karuppiah acting as Chairman, Mr. Sunny Kutty George and Mr. George Baby George are Members. Remuneration for Whole time Directors is fixed by the Remuneration Committee. The remuneration policy followed by the Company to fix a remuneration to whole time Directors taking

## CYBELE INDUSTRIES LIMITED

into consideration the qualifications and functional experience of the individuals and the prevailing remuneration packages especially in the Cable Industry.

### 5. Shareholders Committee / Investors Grievance Committee:

The Board has constituted a Share Transfer & Shareholders/Investors Grievance Committee comprising of three Non-Executive Directors namely, Mr. N. Karupiah acting as Chairman, Mr. Sunny Kutty George and Mr. George Baby George are Members. as members to approve the Share Transfer, Transmission, Transposition of Name, Issue of Split / Duplicate Certificates and to review the status on redressal of Shareholder and Investor Complaints.

The Company has not received any complaints from the shareholders and all other requests / correspondence received from the shareholders were attended. There were no pending share transfer as on 31<sup>st</sup> March, 2013.

### 6. Annual / Extra Ordinary General Meetings :

Location and time where last three Annual /Extra Ordinary General Meetings held :

Year	Date	Time	Venue	AGM/EGM
2009-10	30.09.2010	11.00 A.M	138, Sidco Industrial Estate Ambattur, Chennai - 98	AGM
2010-11	30.09.2011	11.00 A.M.	-do-	AGM
2011-12	27.09.2012	11.00 A.M.	-do-	AGM

Details of Special Resolutions put through postal ballot during the financial year: N.A.

Special Resolution for amendment of Object Clause u/s 17 of the Companies Act, 1956 was passed. However, it was withdrawn subsequently.

### 7. Disclosures

There are no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc., that may have potential conflict with the interest of the Company at large.

There were no instances of non-compliance or penalty, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.

### 8. Means of Communication :

Quarterly Financial results of the Company are published in local dailies and these are not sent individually to shareholders. The financial results are posted in the web site of the Company.

Management Discussion & Analysis Report forms part of the Annual Report.

### 9. General shareholder Information

- |   |   |  |
|---|---|--|
| (i) Annual General Meeting                          | : | Annual General Meeting is proposed to be held at Company's Registered Office at No. 138, Sidco Industrial Estate, Ambattur, Chennai-600 098 on Friday the 27 <sup>th</sup> September, 2013 at 10.00 A.M. |
| (ii) Financial Calendar                             | : |  |
| Un audited Financial Results For the First Quarter  | : | Second week of August  |
| Un audited Financial Results For the Second Quarter | : | Last week of October   |
| Un audited Financial Results For the Third Quarter  | : | Last week of January   |
| Audited Financial Results For the Fourth Quarter    | : | Last week of May   |



## CYBELE INDUSTRIES LIMITED

- (iii) Annual General Meeting : 3<sup>rd</sup> / 4<sup>th</sup> Week of September
- (iv) Book Closure dates : 25<sup>th</sup> September, 2013 to 27<sup>th</sup> September, 2013  
(both days inclusive)
- (v) Dividend payment date : No dividend declared
- (vi) Listing on Stock Exchanges : Madras Stock Exchange Ltd.,(MSE)  
Bombay Stock Exchange Ltd.,(BSE)
- (vii) Stock Code : MSE - Q-FLEXCABLE  
BSE - 531472

**(viii) Market Price Data (High / Low during each month in last Financial Year)**

Month/Year 2012-13	BSE	
	High (Rs.)	Low (Rs.)
April 2012	16.53	11.83
May 2012	22.30	15.75
June 2012	28.20	20.90
July 2012	20.85	11.60
August 2012	16.13	11.85
September 2012	13.65	9.55
October 2012	10.55	8.70
November 2012	17.70	10.10
December 2012	19.10	14.35
January 2013	17.35	13.49
February 2013	16.14	12.04
March 2013	16.90	15.30

No trading activities of the Company's Equity Shares took place on the Madras Stock Exchange during the last financial year

- (ix) **Share Price Performance in comparison to broad based indices such as BSE Sensex, NSE Nifty** : The details are not furnished as it is not applicable to our Company
- (x) **Share Transfer System and Registrar & Share Transfer Agents** : Share Transfers are effected on requests in DEMAT Form within an average of ten days from the date of receipt and within Fifteen days for requests received in physical form.
- Share Transfer Agents:**  
M/s.Cameo Corporate Services Ltd.,  
having their office at "Subramanian Building",  
No.1, Club House Road, Chennai –600 002.