

**TWENTY FIRST ANNUAL REPORT**  
**2013-14**



**CYBELE INDUSTRIES LIMITED**

## **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 TWENTY FIRST ANNUAL GENERAL MEETING

NOTICE is hereby given that the **Twenty First 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 Saturday, the 27<sup>th</sup> September, 2014 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, 2014 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. Thomas P Joy, who retires by rotation and being eligible offers himself for re-appointment.
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(s), the following resolution as an Ordinary Resolution.

RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. N. Karuppiah (holding DIN-02083289), Director of the Company and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office up to March 31, 2019, not liable to retire by rotation.

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution.

RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Sunny Kutty George (holding DIN-01739835), Director of the Company and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office up to March 31, 2019, not liable to retire by rotation.

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution.

RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. George Baby George (holding DIN-01844500), Director of the Company and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office up to March 31, 2019, not liable to retire by rotation.

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

Place : Chennai  
Date : 30.05.2014

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

## CYBELE INDUSTRIES LIMITED

### **NOTES:**

1. A 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. EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 SETTING MATERIAL FACTS IN RESPECT OF THE SPECIAL BUSINESS OF THIS NOTICE IS ANNEXED HERETO.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 25<sup>th</sup> September, 2014 to 27<sup>th</sup> September 2014 (both days inclusive)
4. Members / Proxies should bring the attendance slip duly filled in for attending the Meeting.
5. 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.
6. 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.
7. The Company's Equity Shares are presently listed at the Mumbai (BSE) and Madras (MSE) Stock Exchanges.

### **VOTING THROUGH ELECTRONIC MEANS:**

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the

Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to the members the facility to exercise their right to vote at the Twenty First Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL) on all resolutions set forth in this Notice.

### **The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on 18<sup>th</sup> September, 2014 (9.00 a.m) and ends on 20<sup>th</sup> September, 2014 (6.00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 29<sup>th</sup> August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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### For Members holding shares in Demat Form and Physical Form

- PAN** Enter your 10 digit alpha-numeric \*PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
- Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.( Sequence number has been provided as Serial Number (SL NO.) in the Address Label
  - In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
- DOB** Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
- Dividend Bank Details** Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN of the Company on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The

option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non – Individual Shareholders and Custodians

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- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

### Other Information:

- i. Mrs. Parimala Natarajan, Practicing Company Secretary (CP No. 5239 ), Chennai has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- ii. The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the company and make a scrutinizer's report of the votes cast in favour or against forthwith to the Chairman of the Company.
- iii. Voting is provided to the members through e-voting and at the Annual general meeting of the Company. A member can opt for only one

mode of voting i.e. either through e-voting or at the annual general meeting of the Company.

- iv. If a member casts votes by both modes, then voting done through e-voting shall prevail.

The results shall be declared not later than two days from the date of Annual General Meeting (AGM) of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.qflexcable.com](http://www.qflexcable.com) and on the website of CDSL within forty eight hours of AGM and communicated to the BSE Ltd., where the shares of the Company are listed.

### EXPLANATORY STATEMENT PRUSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No.4 to 6:

Your Board is of the opinion that all of the Independent Directors fulfill the conditions specified in the Act for appointment as Independent Directors of the Company. Non-executive Independent directors who will complete their present term at the ensuing AGM, being eligible and seeking re-appointment, be considered by the shareholders for re-appointment for a term of upto five consecutive years. Non-executive Independent directors who do not complete their term at the ensuing AGM, will continue to hold office till the expiry of their term and thereafter would be eligible for re-appointment for a fixed term in accordance with the Companies Act, 2013. Details in respect of directors who are proposed to be appointed as Independent Directors is given in the Annual Report. All are eminent personalities in their respective fields. Your Board considers that their continued association with the Company would be of immense benefit to the Company. In view thereof, your Board has recommended them to be classified as Independent Directors.

Accordingly, your Board has recommended for approval of the shareholders, under agenda item nos. 4 to 6 of the accompanying notice, the classification of the aforementioned directors also as Independent Directors pursuant to Section 149 of the Companies Act, 2013 read with Rules made thereunder, with their respective term of Office to be for a period of upto five years with effect from 1<sup>st</sup> April, 2014.

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Concerned Directors are interested in their respective resolutions being related to their own appointments. Other than the aforesaid, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolutions as set out in item Nos. 4 to 6 of the accompanying notice. None of the directors are related inter se to each other.

This explanatory statement may also be regarded as a disclosure under clause 49 of the listing agreement with the Stock Exchange.

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

- a) Mr. Thomas P Joy holds a Bachelor Degree and is aged about 40 years. He has wide experience in the field of Technology and Management. He is not holding any

Directorship / Membership in the Board / Committee of other Companies.

- b) Mr. N. Karuppiyah holds a Bachelor Degree in Commerce and is aged about 60 years. He has wide experience in the field of Finance, Administration and Management. He is not holding any Directorship / Membership in the Board /Committee of other Companies.
- c) Mr. Sunny Kutty George holds a Bachelor Degree is aged about 53 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.
- d) Mr. George Bay George holds a Bachelor Degree is aged about 61 years. He has wide experience in the field of Accounts, 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 Twenty First Annual Report together with the Audited Accounts for the year ended 31<sup>st</sup> March, 2014

#### FINANCIAL RESULTS

	2013-2014	2012-2013
	(Rs. in Lakhs)	
Profit before Interest and Depreciation	244.07	470.49
Less : Interest	19.14	20.12
Profit before Depreciation	224.93	450.37
Less : Depreciation	61.59	58.97
	163.34	391.40
Less : Preliminary exp. written off	10.00	10.00
Net Profit carried to B/S	153.34	381.40

#### 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.12.63 Crores and net profit of Rs.1.53 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. Thomas P Joy 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, 2014, 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, 2014 on a 'going concern' basis.

#### Corporate Social Responsibility Committee

Your Directors have constituted the Corporate Social Responsibility Committee (CSR Committee) comprising Mr. N. Karupiah as the Chairman & Mr. Sunny Kutty George and Mr. P.A. Joykutty as members. The said committee as been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the frame work of the CSR Policy and recommending the amount to be spent on CSR activity.

#### 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



## CYBELE INDUSTRIES LIMITED

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

**P.A.JOYKUTTY**

Date : 30.05.2014

Chairman  
& Managing Director

### ANNEXURES TO DIRECTOR'S REPORT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2014

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  |     |

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 :

	Current Year	Previous Year	(Rs. in Lakhs)
Used	—	—	
Earned	—	—	

#### 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,

(By order of the Board)  
for CYBELE INDUSTRIES LIMITED

Place : Chennai

**P.A.JOYKUTTY**

Date : 30.05.2014

Chairman  
& Managing Director