

22nd Annual Report

**2012
2013**



G.R. CABLES LIMITED

BOARD OF DIRECTORS

Sri G.R. Reddy

- Chairman & Managing Director

Dr. S.R. Govinda Rajan, IAS (Retd)

Sri P. Ramesh Babu

Smt. C. Mariamma

- APIDC Nominee

Sri G.V.B.R. Reddy

- Executive Director

STATUTORY AUDITORS

M/s. Srinivas P & Associates

Chartered Accountants

Flat No.301, Madhava Apartments

Hill colony, Khairtabad

Hyderabad - 500 004.

BANKERS

Bank of Baroda

State Bank of Hyderabad

State Bank of Travancore

REGISTERED OFFICE

36, Santosh Nagar,

Mehdipatnam,

Hyderabad - 500 028

FACTORY

Rangareddyguda (Village)

Balanagar (Mandal)

Mahaboobnagar (District)

G.R. CABLES LIMITED

NOTICE

Notice is hereby given that the **TWENTY SECOND ANNUAL GENERAL MEETING** OF **G.R.CABLES LIMITED** will be held at **11.00. A.M.** on **Saturday 24th August 2013** at **Navodaya Colony Welfare association Hall, Navodaya Colony, Gudimalkapur, Medhipatnam, Hyderabad-500 028.** To transact the following business

ORDINARY BUSINESS

1. The receive, consider and adopt the Profit & Loss Account for the year ended 31 st March 2013 and Balance Sheet as on that date together with Cash Flow Statement and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in the place of Sri G.V.B.R.Reddy, who retires by rotation being eligible offers himself for re-appointment.
3. To appoint a Director in the place of Sri P. Ramesh Babu, who retires by rotation being eligible offers himself for re-appointment.
4. To appoint M/s. **Srinivas P & Associates**, Chartered Accountants as Auditors to hold office from the conclusion of this Annual General Meeting upto the conclusion of the next Annual General Meeting and to authorize the Board to fix their remuneration.

By order of the Board
For **G.R. Cables Limited**

Place : Hyderabad
Date : 12.07.2013

G.V.B.R. Reddy
Executive Director

NOTES

1. A member entitled to attend and vote at the meeting is **entitled** to appoint a proxy to attend and vote on a poll instead of himself / herself and such proxy need not be a member of the company. The proxy forms duly completed and signed shall be deposited at the registered office of the company not less than 48 hours before the time for holdings the meeting.
2. Explanatory Statement pursuant section 173(2) of the Companies Act,1956 is annexed herewith
3. The Register of Members will be closed from **20.08.2013** to **24.08.2013** (both days inclusive).
4. Members are requested to bring the copies of Annual Reports while attending the Annual General Meeting.

DIRECTORS' REPORT

To
The Members,

Your Directors have pleasure in presenting the **Twenty second** Annual Report and Audited Statements of accounts of the Company for the year ended **31st March 2013**

FINANCIAL RESULTS

(Rs. in Lakhs)

ITEM	For the Year Ended 31.03.13 (12 months)	For the Year Ended 31.03.12 (12 months)
Sales & Other Income	8.64	9.71
Profit/Loss before interest & Depreciation	(19.47)	(19.63)
Interest	0.048	0.04
Operating Profit/Loss before Depreciation	(19.52)	(19.67)
Depreciation	145.37	145.60
Profit/Loss for the year	(164.89)	(165.27)

REVIEW OF OPERATIONS.

During the year under review, your company could not achieve any significant turnover as operations could not be carried due to lack of working capital facilities from the banks and could achieve a turnover of Rs. 8.64 Lakhs for the year ended **31.03.2013** as against **Rs.9.71** Lakhs for the previous year ended **31.03.2012**. The company incurred an loss of **Rs. 19.52** Lakhs as against an loss of Rs. **19.67** Lakhs in the previous year.

A detail analysis of future outlook and financial performance of the company is given in the management and analysis report which is elsewhere given in this report.

PUBLIC DEPOSITS

The company has not accepted any Deposit from public within the meaning of Section 58-A of the Companies Act, 1956 and Rules made there under.

CONSOLIDATED FINANCIAL STATEMENTS

As prescribed by Accounting **Standards-21** issued by the Institute of Chartered Accountants of India the Audited Consolidated Financial Statements are annexed

DIRECTORS

In accordance with the Section 256 of the Companies Act, 1956 read with the Article 102 of the Articles of Association of the Company Sri G.V.B.R Reddy, Executive Director and Sri.P. Ramesh Babu, Director of the company retires by rotation at the ensuing Annual General Meeting and being eligible, offer him-self for re-appointment.

DIRECTORS RESPONSIBILITY STATEMENT

As required under Section 217 (2AA) of the Companies Act, 1956, the Directors hereby confirm that

- (i) In the preparation of the accounts for the period ended 31st March 2013, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (ii) The Directors have selected accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as give a true and fair view of the state of affairs of the company at the end of the year and of the profit and Loss of the company for the year under review.
- (iii) The Directors have 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 fraud and other irregularities.
- (iv) The Directors have prepared the accounts for the period ended 31st March 2013 on a "going concern" basis.

AUDITORS

M/s. Srinivas P & Associates, Chartered Accountants, Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting. Who have signified their willingness to accept appointment and have further confirmed their eligibility under Section 224 (1-B) of the Companies Act, 1956.

CORPORATE GOVERNANCE

Pursuant to the Clause 49 of the Listing Agreement with Stock Exchange, the Management Discussion and Analysis Report, Report on Corporate Governance and Auditors Certificate regarding the Compliance of conditions of the Corporate Governance are made part of this Annual Report.

PARTICULARS OF TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information required under Section 217(i) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 is given by way of an Annexure-1 which forms part of this Report.

G.R. CABLES LIMITED

PARTICULARS OF EMPLOYEES

There are no employees whose particulars are required to be furnished pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956 read with the relevant rules there under.

ACKNOWLEDGMENTS

Your Directors are grateful to the large number of shareholders of the Company, the Government of India, the Bharat Sanchar Nigam Limited, our main customer, MTNL, NPDCL, EPDGL, CPDCL, SPDC and Transco, Government of Andhra Pradesh, Bank of Baroda, State Bank of Hyderabad, State Bank of Travancore for their support, guidance and help. We thank the vendors, suppliers, stake holders and the dedicated employees of the company for their continued cooperation, assistance and support to the company.

FOR AND BEHALF OF THE BOARD
For G.R. Cables Limited

Place : Hyderabad
Date : 12.07.2013

(G.R.REDDY)
Chairman & Managing Director

G.R. CABLES LIMITED

ANNEXURE-I

Information as per Section 217 (l) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors Report for the Year ended 31st March 2013

A. CONSERVATION OF ENERGY

1. Energy Conservation measure taken : a) Continuous monitoring and Maintaining optimum load on diesel Generator
b) Controlled Lighting inside factory sheds depending on the needs
2. Additional Investments and proposals, if any being implemented for reduction of consumption of energy : NIL
3. Impact of measures at 1 and 2 on energy consumption and consequent impact on cost of production of goods : MARGINAL
4. Total energy consumption and energy consumption per unit of production : NOT APPLICABLE

B. RESEARCH & DEVELOPMENT (R&D)

1. Specific areas in which R&D carried : Efforts are being made to manufacture new products and to improve the quality of the Existing products. This has resulted in wider product range of telcom and power cables.
2. Benefits derived as a result of the Above Research & Development : --- do ---
3. Future plan of Action : --- do ---
4. Expenditure on R & D : --- do ---

C. TECHNOLOGY ABSORPTION

1. Efforts, in brief, made towards technology absorption, adaptation and innovation : Employees are being trained continuously. Modifications in equipment are made wherever feasible.
2. Benefits derived as a result of the above efforts : Improvement in quality and factory practices.
3. Particulars of imported technology (imported during the last 5 years Reckoned from the beginning of the Financial Year) : Not applicable as there has been no import of technology.

D. FOREIGN EXCHANGE EARNINGS AND OUTGO

1. Foreign Exchange Earnings : NIL
 - (a) FOB value of exports
2. Foreign Exchange outgo : NIL
 - (a) Import of Raw Materials and Components
 - (b) Import of Capital Goods
 - (c) Traveling Expenses
 - (d) Other Expenses

FOR AND BEHALF OF THE BOARD
For G.R. Cables Limited

(G.R.REDDY)

Chairman & Managing Director

Place : Hyderabad

Date : 12.07.2013

CORPORATE GOVERNANCE REPORT

(Pursuant to Clause 49 of the Listing Agreement)

I) Companies philosophy on corporate governance:

The Company is committed to Good Corporate Governance to ensure that all functions of the company are discharged in a professionally sound and competent manner. Given view is the requisite information relating to corporate functioning of your company at apex level for the purpose of due transparency on this aspect.

II) Board of Directors

The Board has a fair representation of the Executive, Non-Executive and Independent Directors in compliance with code of Corporate Governance. Out of Five Directors on the Boards of the company only two are promoter **Directors**. The Board has whole time chairman

i) The composition of the Board of Directors is as follows:

Sl. No.	Name	Category	In other Directorship	Companies Committee Membership
1.	Sri G.R.Reddy	Promoter/ Executive (Chairman)	Nil	Nil
2.	Sri G.V.B.R.Reddy	Promoter/Executive	1	Nil
3.	Sri P.Ramesh Babu	Independent/ Non-Executive	Nil	Nil
4.	Smt C.Mariamamma	Independent/ Non-Executive (APIDC Nominee)	5	Nil
5.	Dr.S.R Govinda Rajan	Independent/ Non-Executive	1	Nil

ii) Board Procedure

The Board of Directors meets at least once in a **Quarter** to review the company's performance and Financial Results and **more** often, if considered necessary to transact any other Business.

During the period under review, Five Board meetings were held. The dates on which the Board Meetings were held are as follows:

14th May 2012, 14th August 2012, 04th September 2012, 15th November 2012 and 15th February 2013.

G.R. CABLES LIMITED

The Annual General Meeting was held on 29th September 2012 for the Year 2011-12. Following are the details of attendance of Directors at Board Meetings and Annual General Meeting (AGM) held during the period.

Sl. No	Name of the Director	Board Meetings held during tenure of Director	Attendance Board Meetings	Last AGM
1.	Sri G.R.Reddy	5	5	Yes
2.	Sri G.V.B.R.Reddy	5	5	Yes
3.	Sri P.Ramesh Babu	5	3	No
4.	Smt C.Mariamma	5	2	No
5.	Dr.S.R Govinda Rajan	5	5	No

iii) Details of Directors seeking the re-Appointment at the ensuing AGM

Pursuant to **clause-49** of the Listing Agreement with the Stock Exchange on Corporate Governance the details of the Directors seeking the Re-Appointment is given below.

Name of the Director : Sri G.V.B.R.Reddy Sri P. Ramesh Babu

Date of Birth : 05.12.1971 08.05.1956

Date of Appointment : 29.01.1992 27.03.2000

Qualifications : B.E (Polymers) M.A.(Sociology)

Expertise in Specific : Technical Administration

III. Audit Committee

The company had constituted an Audit Sub-Committee in the year 1997. The Board terms of reference of the Audit Committee are as specified in Clause 49 of Listing Agreement read with Section 292A of the Companies Act, 1956, the Audit Committee deals with various aspects of the Financial Statements including **Quarterly**, Half yearly and Annual Results, adequacy internal controls and internal audit functions, various Audit Reports, Significant judgments affecting the financial statements, compliance with accounting standards and Companies financial & risk management policies. It reports to the Board of Directors about its **findings** and recommendations pertaining to above matters. The Board has accepted all the recommendations of the Audit Committee.

G.R. CABLES LIMITED

The Committee is chaired by Dr. **S.R.Govinda** Rajan, Director and includes Sri P. **Ramesh** Babu Director and Smt C. **Mariamamma**, Director as other members.

There were Four Audit Committee Meetings held during the Year under review.

IV. SHARETRANSFER & SHARE HOLDERS/INVESTORS GRIEVANCE COMMITTEE:

- i) The Committee reviews, records and helps to expedite transfer of shares and resolve any grievances of investors. The Committee meets **frequently** throughout the year to minimize any delays in the transfer process. The Committee is chaired by Sri G.R.Reddy, Charman and Managing Director and includes Sri P.Ramesh Babu, Director and Sri C, Mariamma, director as other members.

Sri **G.V.B.R.Reddy**, Executive Director is the Compliance officer under the relevant regulations. There were no transfers were pending as on the date **31.03.2013**.

- ii) The company has received the following complaints from the share holders during the period under review, to the best of knowledge of the company; these complaints were resolved to the satisfaction of shareholders.

Sl. No.	Nature of Compliant	2012 - 2013	
		Received	Attendance to
1	Non-Receipt of Annual Reports	7	7
2.	Others	5	5
Total		12	12

V. DETAILS OF REMUNERATION TO ALL DIRECTORS

- i) Remuneration to Non-Executive Directors

Presently, the Non-Executive Directors do **not** receive any remuneration from the company **and** are paid sitting fees for attending the meetings of the Board and Committees thereof.

- ii) Remunerations to whole Time Directors

Due to low level of operation, the whole time Directors have not been paid any remuneration.