



# **STANDARD CABLES LIMITED**

**24th ANNUAL REPORT**

**2001 - 2002**

**ANNUAL REPORT 2001-2002****STANDARD CABLES LIMITED****BOARD OF DIRECTORS**

SHRI ARVIND TOSHNIWAL  
SHRI J K BIHANI  
SHRI G K SESHASAYEE

**COMPANY SECRETARY**

SHRI B. VENKATA RAMI REDDY

**AUDITORS**

M/S. SINGHVI, DEV & UNNI  
S.D.U. House, Madhavanagar  
12, Race Course Road  
BANGALORE : 560 001.

**REGISTERED OFFICE & WORKS**

51-A, Bommasandra Industrial Area  
Hosur Road, Anekal Taluk  
BANGALORE : 562 158.

**PRINCIPAL BANKERS**

CANARA BANK  
S.S.I. Unit, Bommasandra,  
BANGALORE : 562 158.

**REGISTRARS & SHARE TRANSFER  
AGENTS**

DYNAMIC SUPERWAYS & EXPORTS  
LIMITED,  
Rainbow Palace,  
I C Colony Cross Road No. 5  
Borivili (West),  
MUMBAI : 400 103.

**AGM VENUE**

ESTATE CLUB, 19TH KM OF HOSUR ROAD  
HUSKUR ROAD, GOOLIMANGALA,  
BANGALORE - 562158  
ON FRIDAY 13TH SEPTEMBER 2002  
AT 10-30 A.M.

**STANDARD CABLES LIMITED****STANDARD CABLES LIMITED**

51-A, BOMMASANDRA INDUSTRIAL AREA, BANGALORE : 561 558

**NOTICE OF ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN THAT THE 24TH ANNUAL GENERAL MEETING of the Members of STANDARD CABLES LIMITED, will be held at Estate Club, 19<sup>th</sup> K.M. Off Hosur Road, Huskur Road, Goolimangala, Bangalore : 562 158 on Friday the 13<sup>th</sup> September, 2002 at 10.30 A.M. to transact the following business :

**ORDINARY BUSINESS**

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2002 and Profit and Loss Account of the Company for the year ended on that date and reports of the Board of Directors and Auditors thereon.
- 2) To appoint a Director in place of Shri G K Seshasayee, who retires by rotation and being eligible, offers himself for reappointment.
- 3) To appoint Auditors and to fix their remuneration.

**SPECIAL BUSINESS**

- 4) To consider, and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution :

"RESOLVED THAT pursuant to Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and are hereby amended and / or altered by inserting following heading and Article as Articles 38(g) after Article 38(f).

**38 (g) Dematerialization of Securities**

- 1) Definitions for the purpose of this Article:

"Beneficial Owner" means a person(s) whose name is recorded as such with a depository;

"SEBI" means The Securities and Exchange Board of India established under Securities and Exchange Board of India Act, 1992;

"Depository" means a Company formed and registered under the Companies Act, 1956, and which has been granted a certificate of registration to act as a Depositor under the SEBI Act, 1992;

"Depository Act" means the Depositories Act, 1996 or any statutory modification or re-enactment thereof;

"Registered Owner" means a Depository whose name is entered as such in the records of the company;

"Security" means such Security as may be specified by the SEBI from time to time.

- 2) Dematerialization / Rematerialization of Securities

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize / rematerialize its securities and to offer securities in the dematerialized form pursuant to the Depositories Act.

- 3) Options for Investors

Every person subscribing to securities offered by the company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depository Act, and the company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities.

If a person opts to hold his security with a depository, the company shall intimate such depository, the details of allotment of the security, and on receipt of information, the depository shall enter in its records, the name of the allottee as the beneficial owner of the securities.

- 4) Securities in Depositories to be in fungible form

All securities held by a Depository shall be dematerialized and shall be in fungible form. No Certificate shall be issued for the securities held by the depository. Nothing contained in Section 153, 153A, 153B, 187B, 187C and 372A of the Companies Act, 1956 shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

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## 5) Transfer of Securities

Nothing contained in Section 108 of the Companies Act, 1956 or these Articles shall apply to a transfer of securities effected by a transferor and transferee, both of whom are entered as beneficial owners in the records of a depository.

## 6) Allotment of Securities dealt within a Depository

Notwithstanding anything contained in the Act, or these Articles, where the securities are dealt within or by a depository, the company shall intimate the details of allotment of relevant securities to the depository immediately on allotment of such securities.

## 7) Distinctive Nos. of Securities held in a Depository

Notwithstanding in the Act, or these Articles regarding the necessity of having distinctive numbers for securities issued by the company shall apply to securities held with a depository.

## 8) Register and Index of beneficial owners

The Register and index of beneficial owners maintained by a Depository under the Depositories Act shall be deemed to be the Register and index of members and other security holders for the purpose of these Articles.

## 9) Rights of Depositories and beneficial owners

- (a) Notwithstanding anything contained in the Provisions of the Companies Act, 1956 and these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.
- (b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (c) Every person holding securities of the company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the company. The beneficial owners of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of their securities which are held by the depository.

## 10) Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic mode or by delivery of floppies or discs.

By Order of the Board of Directors  
for STANDARD CABLES LIMITED,

PLACE : BANGALORE

DATE : 26.07.2002

B. VENKATA RAMI REDDY,  
COMPANY SECRETARY.

NOTE:

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.
2. THE PROXY IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. THE REGISTER OF MEMBERS AND SHARE TRANSFER BOOKS OF THE COMPANY WILL REMAIN CLOSED FROM 07.09.2002 TO 13.09.2002 (BOTH DAYS INCLUSIVE).
4. MEMBERS DESIROUS OF SEEKING ANY FURTHER INFORMATION OR CLARIFICATION IN RESPECT OF ACCOUNTS AND OPERATIONS OF THE COMPANY ARE REQUESTED TO SEND THEIR QUERIES IN WRITING TO THE COMPANY AT THE REGISTERED OFFICE SO AS TO REACH ATLEAST 10 DAYS BEFORE THE DATE OF MEETING SO THAT THE REQUIRED INFORMATION CAN BE MADE AVAILABLE AT THE MEETING.

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5. MEMBERS ARE REQUESTED TO BRING THEIR COPY OF THE ANNUAL REPORT AND THE ATTENDANCE SLIP WITH THEM AT THE MEETING.
6. MEMBERS ARE REQUESTED TO NOTIFY IMMEDIATELY ANY CHANGE IN THEIR ADDRESS TO THE COMPANY'S SHARE TRANSFER AGENTS QUOTING FOLIO NUMBER AND GIVING COMPLETE ADDRESS IN BLOCK LETTERS.
7. PURSUANT TO SECTION 205A OF THE COMPANIES ACT, 1956, ALL UNCLAIMED DIVIDENDS UPTO THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 1993 HAVE BEEN TRANSFERRED TO THE GENERAL REVENUE ACCOUNT OF THE CENTRAL GOVERNMENT. MEMBERS WHO HAVE NOT ENCASHED THE DIVIDEND WARRANTS FOR THE SAID PERIOD ARE REQUESTED TO CLAIM THE AMOUNT FROM REGISTRAR OF COMPANIES, KARNATAKA, BANGALORE.
8. MEMBERS WHO ARE HOLDING SHARES IN IDENTICAL NAME (S) UNDER DIFFERENT LEDGER FOLIOS ARE REQUESTED TO APPLY FOR CONSOLIDATION OF SUCH FOLIOS AND SEND THE RELEVANT EQUITY SHARE CERTIFICATE(S) TO THE COMPANY AT ITS REGISTERED OFFICE.
9. THE COMPANY HAS, CONSEQUENT TO THE INTRODUCTION OF THE DEPOSITORY SYSTEMS ENTERED INTO AN AGREEMENT WITH CENTRAL DEPOSITORY SYSTEMS LTD. (CDSL). MEMBERS, THEREFORE, CAN HOLD AND DEAL IN THE SHARES OF THE COMPANY IN THE ELECTRONIC FORM. THE COMPANY HAS ALSO MADE APPLICATION TO NATIONAL SECURITIES DEPOSITORY LIMITED (NSDL) FOR DEMAT OF THE SHARES AND WAITING FOR ITS APPROVAL.

MEMBERS MAY APPROACH ANY OF THE DEPOSITORY PARTICIPANTS TO DEMATERIALISE (i.e., CONVERSION OF PHYSICAL FORM OF SHARE CERTIFICATES INTO ELECTRONIC FORM) THEIR SHARE CERTIFICATE(S) AND HOLD THEIR SHARES IN ELECTRONIC FORM.

10. THE INFORMATION ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED / RE-APPOINTED IS GIVEN IN THE ANNEXURE TO THE NOTICE.

**ANNEXURE TO THE NOTICE**

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

**Item No. 4**

With the introduction of the Depositories Act, 1996 and depository system, some provisions of the Companies Act, 1956 relating to the issue, holding, transfers, transmission of shares and other securities have been amended to facilitate the implementation of the new system. The Depository system of holding and trading securities of a Company in an electronic form is far safer and more convenient method. Your company has progressed considerably in dematerialization of shares in depository system. It is therefore proposed to suitably amend the articles as set out in the resolution.

The board commends the resolution set out in item 4 of notice of this meeting for your approval.

None of the Directors of the Company is interested in the resolution.

**ANNEXURE**

PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES, FOLLOWING INFORMATION IS FURNISHED ABOUT THE DIRECTOR PROPOSED TO BE RE-APPOINTED.

Shri G K Seshasayee was first appointed on the board on 30<sup>th</sup> July, 1999 and was re-appointed on 27<sup>th</sup> September, 1999. He holds a Master Degree in Physics from Bangalore University. He has got vast experience related to Service of Scientific Instruments.

By Order of the Board  
for STANDARD CABLES LIMITED

Place: Bangalore

Date: 26.07.2002

B VENKATA RAMI REDDY  
COMPANY SECRETARY.

**ANNUAL REPORT 2001-2002****DIRECTORS' REPORT**

Dear Members,

Your Directors have pleasure in presenting their Twenty Fourth Annual Report alongwith the Audited Accounts for the year ended 31st March, 2002.

**FINANCIAL RESULTS**

The financial results of the Company for the year under review are summarised hereunder:

	Current year Rs. in Lacs	Previous Year Rs. in Lacs
Income	238.83	240.65
Expenditure	264.32	270.96
Loss before Depreciation & Taxation	(25.49)	(30.31)
Less / (Add) Depreciation	7.26	5.21
Provision for Taxation	-	-
Profit/(Loss) after Depreciation and Tax	(32.75)	(35.52)
Opening Balance of P & L A/C	(240.51)	(204.99)
Balance Carried to Balance Sheet	(273.26)	(240.51)

**OPERATIONS**

Sales of the Company have declined marginally compared to the previous year. Although the losses have substantially reduced, but the margins have come under severe pressure. The board is trying its best to further improve the situation.

**DIVIDEND**

Your Directors do not recommend any Dividend for the year under review.

**DEPOSITS**

The Company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 and the rules framed there under.

**EMPLOYEES**

None of the Employees attracted the provisions of Section 217 (2A) of the Companies Act, 1956.

**DIRECTORS**

In accordance with articles 106 and 107 of the Articles of Association of the company, Shri G K Seshasayee retires by rotation and being eligible offers himself for re-appointment.

**CORPORATE GOVERNANCE**

The Corporate Governance code introduced by SEBI/Stock Exchanges is applicable for your company from the financial year commencing 2002-2003. Your company has initiated the process of complying with certain recommendations in 2001-2002 itself and it is taking steps to comply with mandatory provisions well before the schedule date of implementation viz., 31<sup>st</sup> March, 2003.

**(a) Board of Directors - Composition**

The Company has at present three non executive Directors. The Independent Directors constitute 2/3 of the strength of the Board of Directors. The composition of the Board of Directors is in compliance with recommendations made by the Committee.

**(b) Audit Committee**

The Company has constituted an Audit Committee for reviewing accounting practices and interact with the company's Auditors. The Committee comprises of three non-whole time Directors. Mr. J K Bihani is the Chairman of the Audit Committee. He holds Bachelors Degree in Engineering and Master of Science in Industrial Engineering. He is a Industrialist and conversant with Finance, Accounts, Audit and Law and other two Directors are Mr. Arvind Toshniwal - Engineering Graduate and Mr. G K Seshasayee Post Graduate in Physics. They meet regularly. The composition is in accordance with the Corporate Governance Code laid down by the SEBI and also in conformity with Provisions under section 292A of the Companies (Amendment) Act, 2000.

**DEPOSITORY SYSTEM**

Pursuant to the directions of the Securities and Exchange Board of India effective from 02.01.02 trading in the Company's shares

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in dematerialized form has been made compulsory for all investors. Dematerialized form of trading would facilitate quick transfers and save stamp duty on transfer of shares. However, members are free to keep the shares in physical form or to hold the shares with a 'Depository Participant' in demat form. The Shares once dematerialized can also be re-materialized at any time. Your company has entered into agreements with Central Depository Services (India) Ltd., (CDSL) to enable the shareholders to hold shares in dematerialized form. Your company has also made application to National Securities Depository Limited (NSDL) for demat of the shares and awaiting approval.

**DIRECTORS RESPONSIBILITY**

In accordance with the provisions of Section 217 (2AA) of the Companies Act, 1956 as amended by Companies (Amendment) Act, 2000, your Directors state :

- (a) that in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- (b) that the Directors have 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 ended on 31.03.2002 and of the loss of the company for the year ended on 31.03.2002;
- (c) that 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 and detecting fraud and other irregularities;
- (d) that the Directors have prepared Annual accounts on a going concern basis.

**AUDITORS**

M/s. Singhvi, Dev & Unni, Chartered Accountants, Bangalore, retire and being eligible, offer themselves for re-appointment. As regards the Auditors' observations in their report, the relevant notes are self-explanatory.

**ACKNOWLEDGMENTS**

Your Directors wish to place on record their appreciation of their Bankers for their support. The Board wishes to express its appreciation to all Employees for their valuable contribution to the growth of the Company. The industrial relations were cordial during the year.

**ADDITIONAL INFORMATION**

In terms of Section 217 (1) of the Companies Act, 1956 and the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988, your Directors furnish hereunder the additional information as required:

**A. CONSERVATION OF ENERGY**

- a) The company has made efforts to reduce energy consumption to the utmost level.
- b) No additional investments or proposals were implemented for reduction or conservation of energy.
- c) In the opinion of the Board, the provisions of disclosure of particulars in terms of Form A are not applicable to the Company.

**B. TECHNOLOGY ABSORPTION****RESEARCH AND DEVELOPMENT**

- 1) The Company has not carried out any Research and Development activities during the year.
- 2) As no activity of Research and Development has been carried the question of benefits arising out of the same does not arise.
- 3) The Company has no plans to setup any Research and Development Cell.

**TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION**

The Company has adapted suitably to indigenous technology and the same has been cost effective.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

- a) Foreign Exchange Earnings Rs. Nil
- b) Foreign Exchange Outgo Rs. Nil

FOR AND ON BEHALF OF THE BOARD

Place : Bangalore  
Date : 26/07/2002

Arvind Toshniwal  
Director

J.K. Bihani  
Director