



7th Annual Report
2012-2013

Shilpi Cable Technologies Ltd.

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CORPORATE INFORMATION

BOARD OF DIRECTORS

- Mr. Mukesh Kumar Gupta, Managing Director
- Mr. Manish Goel, CCO & Whole Time Director
 - Mr. Ghanshyam Pandey
 - Mr. Sunil Kala
 - Mr. Sandeep Gupta
- Mr. Narendra Kumar Singh, Nominee Director

CHIEF EXECUTIVE OFFICER

- Mr. Manish Bhatt

CHIEF FINANCIAL OFFICER

- Mr. Manoj Arora

AUDITORS

M/s RMA & Associates
Chartered Accountants
48, Hasanpur,
I. P. Extension,
Delhi – 110 092

SHARE TRANSFER AGENT

BEETAL Financial & Computer Services (P) Limited
Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping
Centre
Near Dada Harsukhdas Mandir, New Delhi – 110062
Tel: 011-29961281; **Fax:** 011-29961284

REGISTERED OFFICE

Shilpi Cable Technologies Limited
A-19/B-1 Extension
Mohan Co operative Industrial estate
P. O. Badarpur, Mathura Road
New Delhi 110 044

PLANT

Unit I

SP 1037, RIICO Industrial Area
Chopanki, Bhiwadi,
Distt. Alwar, Rajasthan.

Unit II

E 138, RIICO Industrial area, Phase I
Bhiwadi, Distt. Alwar, Rajasthan.

BANKERS

IDBI Bank
Punjab National Bank
State Bank of India
UCO Bank
Oriental Bank of Commerce
Bank of Baroda
Union Bank of India
Andhra Bank

NOTICE

Notice is hereby given that the seventh Annual General Meeting of the Members of the Company will be held on Wednesday, 25th September, 2013 at 11.30 AM at 11, Hindi Bhawan, ITO, Delhi 110002, to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2013 and Profit and Loss Account for the year ended on that date together with the Reports of the Auditors and Directors' thereon.
2. To appoint a Director in place of Mr Ghanshyam Pandey who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next annual general meeting and to authorize the Board to fix their remuneration.

The present Statutory Auditors M/s RMA & Associates Chartered Accountants, New Delhi, having Firm Registration No. 000978N, are holding the office till the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves 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 Mr Narendra Kumar Singh, who was appointed as an Additional Director (nominee of IDBI Bank Ltd) to hold office till the date of the Annual General Meeting be and is hereby appointed as Director of the Company, whose office shall not be liable to determination through retirement 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 section 94 of the Companies Act, 1956, provisions of Articles of Association of the Company and other applicable provisions, the existing Authorized Share Capital of the Company be and is hereby increased from Rs. 42,50,00,000/- (Rupees forty two crore fifty lacs only) to Rs. 50,00,00,000/- (Rupees fifty crore only) by creation of another 75,00,000 (seventy five lacs) equity shares of Rs. 10/- each aggregating Rs. 7,50,00,000 (Rupees seven crore fifty lacs only).

Resolved Further That the Clause V of the Memorandum of Association of the Company be substituted with the following new Clause:

- V. The Authorised Share Capital of the Company is Rs. 50,00,00,000 (rupees fifty crores only) divided into 5,00,00,000 (five crore only) Equity Shares of Rs. 10/- (rupees ten only) each.

Resolved Further That for the purpose of giving effect to the aforesaid resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things, as they may, in their absolute discretion, deem necessary, proper and desirable."

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

"Resolved That pursuant to the provisions of Section 81(1A) of the Companies Act, 1956 (hereinafter referred to as "the Act") and other applicable provisions of the Act, if any, and subject to the provisions of the Memorandum & Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchanges, where the shares of the Company are listed and in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 and other applicable regulations and guidelines issued by the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI"), Government of India ("GOI"), or any other relevant authority and clarifications thereon issued from time to time, if any, and subject to all such statutory, regulatory and government approvals, permissions or sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals,

permissions or sanctions, and which may be agreed to by the Board of Director of the Company (hereinafter referred to as "the Board" which expression shall be deemed to include any Committee constituted/to be constituted by the Board to exercise its powers, including the powers conferred by this Resolution); the consent of the members of the Company be and is hereby given to the Board to create, issue and allot up to 1,18,00,000 (one crore eighteen lacs) Equity Shares of a face value of Rs. 10/- each of the Company, at an issue price of Rs. 30/- (Rupees thirty only) per share or such higher issue price as may be determined as per the SEBI (ICDR) Regulations, 2009 and other applicable provisions, by way of preferential allotment to various persons as listed below, as per the terms and conditions given in the explanatory statement annexed to this notice, which, inter-alia, include:

- a. Issue of upto 118,00,000 Equity Shares to the following person:

SN	Name of the proposed allottee	Category	Number of Equity Shares
1	Leman Diversified Fund	FII (Non-promoter)	2360000
2	Davos International Fund	FII (Non-promoter)	2360000
3	Sparrow Asia Diversified Opportunities Fund	FII (Non-promoter)	2360000
4	Highbluesky Emerging Market Fund	FII (Non-promoter)	4720000
Total			1,18,00,000

- b. The Equity Shares shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including as to dividend with the existing equity shares of the Company except that new equity shares will be subject to lock-in requirement in terms of the provisions of the SEBI (ICDR) Regulations, 2009.
- c. The Relevant Date for the purpose of pricing of issue of Equity Shares in accordance with the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 is **26th August, 2013**, being the date 30 days prior to the date of the general meeting of the members of the Company.

Resolved Further That for giving effect to this Resolution, the Board be and is hereby authorized to take such steps and to do all such acts, deeds and things as the Board may, in its absolute discretion, consider necessary, expedient, usual, proper or incidental to this resolution and to settle any question, remove any difficulty or doubt that may arise from time to time in relation to the offer, issue and allotment of the Equity Shares and the utilization of the issue proceeds of the Shares for the Company's plans, to prescribe the forms of application, enter into any agreements or other instruments, and to take such actions or give such directions as they may consider as being necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable, as they may deem fit."

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

"Resolved That pursuant to and subject to the provisions of Sections 198, 269, 309, Schedule XIII and other applicable provisions of the Companies Act, 1956, if any, consent of the members of the Company be and is hereby given for the appointment of Mr Ghanshyam Pandey as whole time director of the Company with effect from 1st September, 2013 for a period of 3 (three) years on the remuneration not exceeding Rs. 4,00,000 (Rupees Four lac) per month whether paid as salary, allowance(s), perquisites or a combination thereof:

Provided further that payment towards the following statutory perquisites will not be included in the aforesaid remuneration:

- a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;
- b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- c. Encashment of leave at the end of tenure.

Resolved further that the Board of Directors of the Company (including any committee/sub-committee of the Board) be and is hereby authorized to assign and delegate, from time to time, such work, duties, power and authorities to the Whole Time Director as it may deem fit and proper.

Shilpi Cable Technologies Ltd.

Resolved further that the Board of Directors of the Company be and is hereby authorized to fix such remuneration and to work out various components of the remuneration package as it may deem fit and proper within the overall limits of the remuneration as approved above."

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

"Resolved that pursuant to the provisions of section 31 of the Companies Act, 1956 and other applicable provisions, if any, the Articles of Association of the Company be and is hereby altered in the following manner:

The following new Article No. 104A be and is hereby inserted, immediately after the existing Article No. 104:

104A Subject to applicable Law, Directors or members of any Committee may participate in meetings of the Board or Board Committees through video conference or similar electronic means in accordance with and subject to the provisions of General Circular No 28/2011 dated may 20, 2011 and General Circular No 35/2011 dated June 6, 2011 issued by the Ministry of Corporate Affairs, Government of India (as amended from time to time).

Resolved further that the Board of Directors of the Company be and is hereby authorised to do all such acts as may be suggested by the Registrar of Companies or other competent authority or that may otherwise deem fit by the Board and to take such other steps as may be required to give effect to this resolution."

For and on Behalf of the Board
For **Shilpi Cable Technologies Ltd**

Mukesh Kumar Gupta
(Managing Director)
(DIN 00163044)

Date : 26th August, 2013
Place : New Delhi

Notes:

- A. Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 in respect of Special Business as set out in the notice is annexed hereto.
- B. Appointment of Proxy: A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The proxy form in order to be effective must be deposited with the Company not less than 48 hours before the time fixed for commencement of the Meeting.
- C. Corporate Members: Corporate Members intending to send their authorised representatives are requested to send a duly certified copy of the Board Resolution authorizing the representatives to attend and vote at the Annual General Meeting.
- D. Members/Proxies attending the meeting are requested to bring their copy of Annual Report to the Meeting.
- E. Queries at the AGM: Queries proposed to be raised at the Annual General Meeting may be sent to the Company at its registered office at least seven days prior to the date of AGM to enable the management to compile the relevant information to reply the same in the meeting.
- F. Book Closure: The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 24th September 2013 to Wednesday, 25th September 2013 (both days inclusive) for the purpose of the AGM.
- G. All the documents, transfers, dematerialization requests and other communications in relation thereto should be addressed direct to the Company's Registrar and Transfer Agent, M/s Beetal Financial & Computer Services Pvt Ltd at the address mentioned below:

M/s Beetal Financial & Computer Services Pvt Ltd
Beetal House, 3rd Floor, 99 Madangir
Behind Local Shopping centre Near Harsukhdas Mandir,
New Delhi-110 062; Phone No. 011-29961284.
- H. Pursuant to Clause 47(f) of the Listing Agreement entered into with the Stock Exchanges, the company has created an exclusive email id for quick redressal of shareholders/investors grievances. The said email ID is investors@shilpicabletech.com
- I. Inspection of Documents: Documents referred to in the Notice etc., are open for inspection at the registered office of the Company at all working days except Saturdays between 11 A.M. and 2 P.M. up to the date of Annual General Meeting.
- J. The Annual Accounts of the company and its subsidiary shall be available for inspection during business hours at our registered office and the same are also available at the website of the company.
- K. The information required to be provided under the Listing Agreement regarding the Directors proposed to be appointed/reappointed is given in the Corporate Governance Report.

The explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 for Items accompanying the notice as under:

ITEM NO. 4

Mr Narendra Kumar Singh was co-opted on the Board of Directors of the Company as Additional Director as a nominee of our Banker IDBI Bank Ltd in place of Ms. Neeta Sood. As per section 260 of the Companies Act, 1956, he holds office until the date of ensuing annual general meeting.

The Company has received notices in writing along with the requisite deposit under Section 257 of the Companies Act, 1956 proposing the candidature of Mr Narendra Kumar Singh.

The Directors recommend and place before you the proposed resolution for your consideration and approval.

None of the Directors except Mr Narendra Kumar Singh, is concerned or interested in proposed resolution.

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ITEM NO. 5

Your Board has proposed to issue further equity shares on preferential basis. To accommodate the additional capital proposed to be issued, your Board recommends for increase the Authorized Share Capital of the Company from the existing Rs. 42.50 crore to Rs. 50.00 crore.

Approval of the members of the Company is sought for the proposed increase in the authorized capital.

Your directors recommend the resolutions for adoption by members of the Company by way of an ordinary resolution.

None of the Directors of the Company may be deemed to be concerned or interested in the proposed resolution except to the extent of shares held by them.

ITEM NO. 6

To augment the fund requirements of the Company, your Company intends to raise funds through preferential issue of equity shares. Your Board proposes to issue upto 1,18,00,000 equity shares at a price of Rs. 30/- (Rupees thirty only) per share or such higher issue price as may be determined as per the SEBI (ICDR) Regulations, 2009 and other applicable provisions.

Since your Company is a listed company, the proposed issue is in terms of the provisions of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements), Regulations, 2009, and other applicable provisions, if any. In terms of the provisions of the Companies Act, 1956, and the aforesaid SEBI Regulations; the relevant disclosures/ details are given below:

Instrument and Numbers: The Company is proposing to issue upto 1,18,00,000 (one crore eighteen lacs) Equity Shares of a face value of Rs. 10/- each of the Company on preferential basis as per the special resolution proposed in the notice.

Relevant Date & Issue Price: The relevant date for the purpose of determination of issue price of the equity shares is the date 30th day prior to the date on which the meeting of the general body of shareholders is held, in terms of Section 81(1A) of the Companies Act, 1956, to consider the proposed issue. Relevant Date for the purpose of the present preferential issue is 26th August, 2013.

As per Regulation 76(1) of the SEBI (ICDR) Regulations, 2009, a minimum issue price of the equity shares in preferential issues has to be calculated as follows:

- a) The average of weekly high and low of the closing prices of the related shares quoted on the stock exchange during the six months preceding the relevant date;

or

- b) The average of weekly high and low of the closing prices of the related shares quoted on a stock exchange during the two weeks preceding the relevant date;

whichever is higher.

The shares of the Company are listed and traded on the BSE Ltd (BSE) and National Stock Exchange of India Ltd (NSE). The issue price will be higher than the minimum issue price determined under Regulation 76 of the SEBI (ICDR) Regulations, 2009.

Payment: In terms of the provisions of Regulation 77 of the SEBI (ICDR) Regulations, 2009, 100% of the issue price of the equity shares shall be payable by the proposed allottees before the allotment of shares to them.

Identity & Particulars of proposed allottee and pre & post issue holding of the proposed allottees: Present preferential issue of Equity Shares is proposed to be made to the following non promoter Foreign Institutional Investors.

All the proposed allottees have already obtained PAN. The present issued, subscribed and paid-up share capital of the Company is Rs. 37,51,61,360 divided into 3,75,16,136 equity shares of Rs. 10/- each. Post Preferential issue, the issued, subscribed and paid-up share capital of the Company shall be Rs. 49,31,61,360 divided into 4,93,16,136 equity shares of Rs. 10/- each. The pre issue and post issue shareholding of the proposed allottees is shown in the table below:

Sl. No.	Name, Regd. Address & PAN	Category	Number of Equity Shares to be issued	Pre issue shareholding	%	Post issue shareholding	%
1	Leman Diversified Fund Ebene House, 3rd Floor, 33 Cybercity, Ebene, Rebuglic of Mauritius PAN: AABCL8363M	FII (Non-Promoter)	2360000	Nil	Nil	2360000	4.79
2	Davos International Fund Ebene House, 3rd Floor, 33 Cybercity, Ebene, Rebuglic of Mauritius PAN: AADCD7742G	FII (Non-promoter)	2360000	Nil	Nil	2360000	4.79
3	Sparrow Asia Diversified Opportunity Fund Ebene House, 3rd Floor, 33 Cybercity, Ebene, Rebuglic of Mauritius PAN: AANCS3131Q	FII (Non-promoter)	2360000	Nil	Nil	2360000	4.79
4	Highbluesky Emerging Market Fund 7th Floor, Wing A, Cyber Tower 1, Ebene Cybercity, Ebene, Mauritius PAN: AADCK9460G	FII (Non-promoter)	4720000	Nil	Nil	4720000	9.57
	Total		1,18,00,000	Nil	Nil	1,18,00,000	23.93

Since there is no prior shareholding of the proposed allottee, holding of pre-preferential shareholding in demat form is not applicable.

The proposed allottee has not sold any shares of the Company during the six months period prior to the relevant date.

There shall not be any change in control of the Company consequent to the proposed preferential issue of the equity shares.

Lock-in Period: The Equity Shares issued to non-promoter allottee shall be subject to a lock-in period of one year or such other period as may be prescribed in accordance with the SEBI regulations.

Since there is no pre-preferential shareholding of the proposed allottee, lock-in of pre-preferential shareholding is not applicable.

Intention of promoters/directors/key management persons to subscribe: No promoters/directors/key management persons intend to subscribe to the present preferential issue of Equity Shares.

Pre-issue & Post-issue Shareholding Pattern of the Issuer Company: Pre-issue and post issue shareholding pattern of the Issuer Company will be as below:

Shilpi Cable Technologies Ltd.

SN	Category	Pre Issue		Post Issue	
		Number of Shares	%	Number of Shares	%
(A)	Shareholding of Promoter and Promoter Group				
1	Indian				
(a)	Individuals/ Hindu Undivided Family	36000	0.10	36000	0.08
(b)	Central Government/ State Government(s)	-	-	-	-
(c)	Bodies Corporate	16750000	44.65	16750000	33.96
(d)	Financial Institutions/ Banks	-	-	-	-
(e)	Any Other	-	-	-	-
	Sub Total(A)(1)	16786000	44.74	16786000	34.04
2	Foreign				
a	Individuals (Non-Residents Individuals/ Foreign Individuals)	-	-	-	-
b	Bodies Corporate	-	-	-	-
c	Institutions	-	-	-	-
d	Qualified Foreign Investor	-	-	-	-
e	Any Others (specify)	-	-	-	-
	Sub Total(A)(2)	0.00	0.00	0.00	0.00
(A)	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	16786000	44.74	16786000	34.04
(B)	Public shareholding				
1	Institutions				
(a)	Mutual Funds/ UTI	-	-	-	-
(b)	Financial Institutions / Banks	-	-	-	-
(c)	Central Government/ State Government(s)	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-
(e)	Insurance Companies	-	-	-	-
(f)	Foreign Institutional Investors	-	-	11800000	23.93
(g)	Foreign Venture Capital Investors	-	-	-	-
(h)	Qualified Foreign Investor	-	-	-	-
(i)	Any Other (specify)	-	-	-	-
	Sub-Total (B)(1)	0.00	0.00	11800000	23.93
B 2	Non-institutions				
(a)	Bodies Corporate	3348635	8.93	3348635	6.79
(b)	Individuals				
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	3336110	8.89	3336110	6.76
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	5189989	13.83	5189989	10.52
(c)	Qualified Foreign Investors	-	-	-	-
(d)	Any Other (specify)				
(d-i)	NRI	121241	0.32	121241	0.25
(d-ii)	Clearing Members	71591	0.19	71591	0.15
(d-iii)	HUF	3445196	9.18	3445196	6.98
(d-iv)	Trusts	5217374	13.91	5217374	10.58
	Sub-Total (B)(2)	20730136	55.26	20730136	42.03
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	20730136	55.26	32530136	65.96
	TOTAL (A)+(B)	37516136	100.00	49316136	100.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	37516136	100.00	49316136	100.00