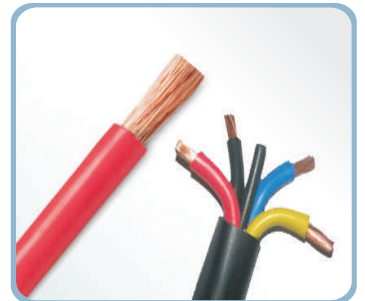
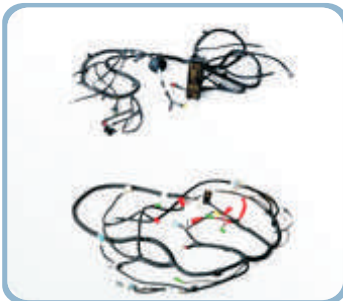




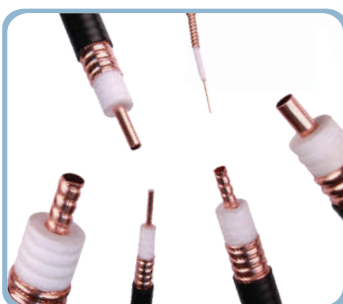
Leading and  
Fastest Growing



Complete  
Customer  
Satisfaction is our  
only Gratification



State-of the  
Manufacturing  
Facility that speak  
Volumes of our  
Capability

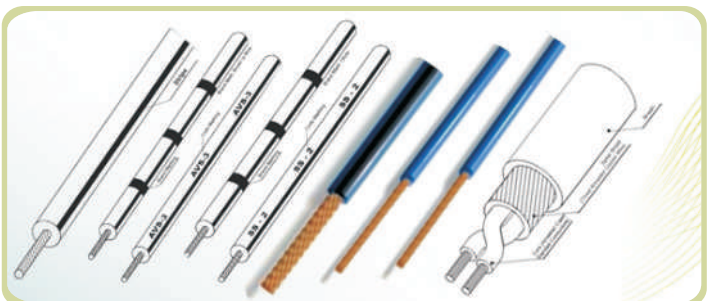


annual report  
2013-14



Shilpi Cable Technologies Ltd.

An Array of  
Porducts to fullfill  
every Client's  
Requirement



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## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

- Mr. Mukesh Kumar Gupta
- Mr. Manish Goel, Managing 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 Vikas Jaiswal**

### **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

### **PLANTS**

#### **Unit I**

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

#### **Unit II**

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

#### **Unit III**

Behind Tech Auto Pvt. Ltd.  
ChinnaBelagondapalli  
Nagondapalli Post  
Mathigiri-635110  
Hosur

### **Board Committees:**

Audit Committee  
Mr. Sandeep Gupta  
Mr. Sunil Tarachand Kala  
Mr. Ghanshyam Pandey

#### **Stakeholders Relationship Committee**

Mr. Sandeep Gupta  
Mr. Sunil Tarachand Kala  
Mr. Ghanshyam Pandey

#### **Nomination and Remuneration Committee**

Mr. Sandeep Gupta  
Mr. Sunil Tarachand Kala  
Mr. Ghanshyam Pandey

#### **Corporate Social Responsibility Committee**

Mr. Sandeep Gupta  
Mr. Sunil Tarachand Kala  
Mr. Ghanshyam Pandey

### **BANKERS**

IDBI Bank  
Punjab National Bank  
State Bank of India  
UCO Bank  
OBC Bank  
Bank of Baroda  
Union Bank of India  
Andhra Bank  
Indian Overseas Bank  
Axis Bank

#### **Website**

[www.shilpicables.com](http://www.shilpicables.com)

#### **Investor Relations Email ID**

[investors@shilpicabletech.com](mailto:investors@shilpicabletech.com)

#### **Corporate Identity Number**

L64201DL2006PLC150753

### **Stock Exchanges where Company's Securities are listed**

BSE Limited  
National Stock Exchange of India Limited

# Shilpi Cable Technologies Ltd.

## DIRECTORS' REPORT

### Dear Members

Your Directors have pleasure in presenting the Eighth Annual Report of your Company together with the Audited Annual Accounts for the financial year ended 31<sup>st</sup> March, 2014.

### Financial Highlights

(Amount in Rs.Lacs)

Particulars	Financial Year ended	
	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
Net Sales	98,603.39	65,488.86
Other Income	333.37	173.94
Increase/ (Decrease) in Stocks	(884.91)	(1,857.19)
Total Income	98,936.76	65,662.80
Total Expenditure	94,951.30	61,922.13
Profit before tax	3,989.80	3,740.67
Provision for tax	1,186.79	1,121.68
Profit after tax	2,803.01	2,618.99
Paid-up Share Capital	4,931.61	3,751.61
Reserves and Surplus (excluding revaluation reserve)	17,304.99	12,534.08

### Year in Retrospect

During the year under review, total income of the Company was Rs. 98,936.76 lacs as against Rs. 65,662.80 lacs in the previous year. The Company was able to earn a profit after tax of Rs. 2,803.01 lacs for the year as against a profit of Rs. 2,618.99 lacs in previous year. Your Directors are putting in their best efforts to improve the performance of the Company.

The detailed Management Discussion & Analysis Report is attached hereto with the Director's Report and should be read as part of this Directors Report.

### Material Changes after the close of the financial year

Save as mentioned elsewhere in this Report, no material changes and commitments affecting the financial position of the Company have occurred between end of the financial year of the Company-31<sup>st</sup> March, 2014 and the date of this Report.

### Dividend

Your Directors are pleased to recommend a dividend of Rs.1 per equity share for the financial year ended March, 31, 2014, subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.

### Corporate Governance

Your Company believes that the great organizations are built on the foundation of good governance practices. Corporate governance is all about effective management of relationship among constituents of the system, i.e. shareholders, management, employees, customers, vendors, regulatory and the community at large.

As stipulated under Clause-49 of the listing agreement, the Corporate Governance Report had been incorporated as Separate Section forming part of this Annual Report.

The compliance report on Corporate Governance and a certificate from M/s R & D Company Secretaries regarding compliance of the conditions of Corporate Governance, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is attached herewith and forms part of this Annual Report.

Certificate from Managing Director and Chief Financial Officer, inter alia, confirming the correctness of the financial statements, compliance with Company's Code of Conduct, adequacy of the Internal Control measures and reporting of matters to the Audit Committee in terms of Clause 49 of the Listing Agreement with the Stock Exchanges, is also enclosed as a part of the Annual Report.

### **Subsidiaries**

Apart from Shilpi Worldwide JLT, Dubai, during the financial year the company has also made investment in equity of Shilpi Worldwide Pte Ltd, Singapore. Your company holds 100% of the total, issued and subscribed and paid up capital of Shilpi Worldwide and thereby, both of the companies are Wholly Owned Subsidiaries of the Company. Except this there is no subsidiary of the company.

As per Section 212 of the Companies Act, 1956, the Company is required to attach the Balance Sheet, Profit and Loss account, the Reports of the Board of Directors and Auditors of the subsidiary companies with the Balance Sheet of the Company.

The Ministry of Corporate Affairs, Government of India vide its circular no. 2/2011 dated February 8, 2011 has provided an exemption to companies from complying with Section 212, provided such companies publish the audited consolidated financial statements in the annual report. Accordingly, the annual report of financial year 2013-14 contains the consolidated financial statements of the Company instead of the separate financial statements of our subsidiary. However the financial information of the subsidiary company is disclosed in the Annual Report in compliance with the said circular.

The audited annual accounts and related information of subsidiaries of your Company will be made available upon request. The annual accounts of the subsidiary company shall be available for inspection during business hours at our registered office.

### **Public Deposits**

During the year under report, your Company did not accept any deposits from the public in terms of the provisions of section 58A of the Companies Act, 1956.

### **Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo**

**a. Conservation of Energy & Technology Absorption:** The Company endeavor to achieve optimum conservation of energy. The electrical systems on all machines are equipped with latest energy efficient control systems to ensure optimum power utilization. Information as required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Director) Rules, 1988, regarding conservation of energy, technology absorption and foreign exchange earnings & outgo, is given in **Annexure – A**, forming part of this report.

# Shilpi Cable Technologies Ltd.

**b. Export Activities:** During the financial year the company has made export of goods to UAE, Taiwan, Philippines Turkey, and United State of America. Your management has also been exploring other international market in future.

**c. Foreign Exchange Earnings and Outgo:**

(Amount in Rs Lacs)

	2013-14	2012-13
Total Foreign Exchange Inflow	11860.57	559.92
Total Foreign Exchange outflow	33734.10	27501.28

## Particulars of Employees

During the financial year under review, none of the employees of the Company was in receipt of remuneration as prescribed under section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended.

## Directors

Except for the following changes, there was no change in the composition of the Board of Directors of the Company subsequent to the last Directors' Report:

Mr. Manish Goel was appointed as Managing Director of the company w.e.f. 29<sup>th</sup> March, 2014 and Mr. Mukesh Kumar Gupta has resigned from the post of Managing Director of the company w.e.f. 24<sup>th</sup> May 2014. However Mr. Mukesh Kumar Gupta will remain on board as Director.

In accordance with the provisions of the Companies Act, 1956 read with Articles of Association of the Company, the office of Mr. Mukesh Kumar Gupta Director of the Company is liable to retire by rotation and being eligible, offer himself for re-appointment.

Further, in terms of Section 149 of the Companies Act, 2013 the office of all the Independent directors of the Company is non-rotational. The board is proposing the same for approval of the members in the ensuing Annual General Meeting.

The brief resumes of the Directors who are to be re-appointed, the nature of their expertise in specific functional areas, names of companies in which they have held directorships, committee memberships/chairmanships, their shareholding, etc. are furnished in the Corporate Governance Report.

The Board recommends their re-appointment at the ensuing Annual General Meeting

## Constitution of Committees

In terms of the applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Company has constituted the following committees:

- AUDIT COMMITTEE**

Name of the Director	Category
Mr. Sandeep Gupta- Chairman	Non-Executive Independent Director
Mr. Ghanshyam Pandey	Executive Director
Mr. Sunil Kala	Non-Executive Independent Director

- NOMINATION AND REMUNERATION COMMITTEE (Section 178 of the Companies Act, 2013)

Name of the Director	Category
Mr.Sandeep Gupta- Chairman	Non-Executive Independent Director
Mr.Sunil Kala	Non-Executive Independent Director
Mr.Mukesh Kumar Gupta	Non-Executive Director

- STAKEHOLDERS REALTIONSHIP COMMITTEE (Section 178 of the Companies Act,2013)

Name of the Director	Category
Mr.Sandeep Gupta- Chairman	Non Executive Independent Director
Mr.Ghanshyam Pandey	Executive Director
Mr.Sunil Kala	Non Executive Independent Director

- CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (Section 135 of the Companies Act,2013)

Name of the Director	Category
Mr. Sandeep Gupta- Chairman	Non Executive Independent Director
Mr.Ghanshyam Pandey	Executive Director
Mr. Sunil Kala	Non Executive Independent Director

## Auditors

M/s RMA & Associates, Chartered Accountants, Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. A certificate under Section 139 of the Companies Act, 2013 regarding their eligibility for the proposed re-appointment has been obtained from them. Your Directors recommend their re-appointment.

## Auditors' Report

Comments made by the Statutory Auditors in the Auditors' Report are self-explanatory and do not require any further clarification.

## Directors' Responsibility Statement

In terms of the provisions of section 217(2AA) of the Companies Act, 1956, and to the best of their knowledge and belief and according to the information and explanations obtained by them and save as mentioned elsewhere in this Report, the attached Annual Accounts and the Auditors' Report thereon, your Directors confirm that:

- in preparation of the annual accounts, the applicable accounting standards have been followed;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2014 and of the profit of the Company for the year ended on that date;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- the Directors have prepared the Annual Accounts on a going concern basis.

# Shilpi Cable Technologies Ltd.

## Stock Exchange Listing

The shares of the Company are listed on the BSE Ltd. and National Stock Exchange of India Ltd. (NSE) The listing fee for the financial year 2013-14 has already been paid to both the Stock Exchanges.

## Acknowledgement

Your Directors take this opportunity to place on record their sincere appreciation for the co-operation and assistance the Company has received from Banks and various Government Departments. The Board also places on record its appreciation of the devoted services of the employees, support and co-operation extended by the valued business associates and the continuous patronage of the customers of the Company.

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

**Date : 2<sup>nd</sup> August, 2014**  
**Place : New Delhi**

**Manish Goel**  
Managing Director  
DIN No.00163105

**Mukesh Kumar Gupta**  
Director  
DIN No.00163044



## Annexure – A

### Annexure to the Directors' Report

INFORMATION AS PER SECTION 217(1) (e) READ WITH COMPANIES DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014:

#### PARTICULARS AS PER FORM A:

#### A. POWER AND FUEL CONSUMPTION

	2013-2014	2012-2013
1. ELECTRICITY		
(a) PURCHASED:		
Units (in lacs)	40.26	19.44
Total amount (in lacs)	248	116.48
Rate/Units (in Rs.)	6.17	5.99
(b) OWN GENERATION:		
(i) Through Diesel Generator		
Ltrs (in lacs)	0.93	0.67
Total amount (in lacs)	50.97	28.25
Rate/Ltrs (in Rs.)	54.3	42.17
(ii) Through Steam Turbine/ Generator	N.A.	N.A.
2. LIGHT DIESEL OIL/FURNILCE OIL		
Quantity (Kilo Ltrs.)	N.A.	N.A.
Total Cost (in lacs)	N.A.	N.A.
Average/Ltrs (in Rs.)	N.A.	N.A.
3. GAS	N.A.	N.A.
a. LPG GAS		
Quantity (K.G.)	N.A.	N.A.
Total Cost (in lacs)	N.A.	N.A.
Average/ K.G. (in Rs.)	N.A.	N.A.
b. NATURAL GAS		
Quantity (SCM)	N.A.	N.A.
Total Cost (in lacs)	N.A.	N.A.
Average/ SCM (in Rs.)	N.A.	N.A.

# Shilpi Cable Technologies Ltd.

## PARTICULARS AS PER FORM-B:

### I. RESEARCH AND DEVELOPMENT (R & D)

(a) Specified Areas in which R & D carried out by the Company:	NIL	NIL
(b) Benefits derived as a result of the above R & D :	NIL	NIL
(c) Future plan of action	NIL	NIL
(d) Expenditure on R & D		
(i) Capital	NIL	NIL
(ii) Recurring	NIL	NIL
(iii) Total	NIL	NIL
(iv) Total R & D Expenditure as a percentage of total turnover	NIL	NIL

### C. FOREIGN EXCHANGE EARNINGS AND OUT GO:

(a) Activities relating to exports, initiative taken to increase exports, development of new export markets for products and services and export plans	NIL	NIL
(b) Total foreign exchange used (Rs lacs)	21105.67	13550.70
(c) Total foreign exchange earned	NIL	NIL

### II. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

#### (a) Efforts in brief, made towards Technology Absorption, Adaption and innovation:

We believe in continual improvement in our designs and products for ensuring full customer satisfaction. The Company, with its long experience in the cable and wire industry, has been a leader in cable technology. Innovation in process control, product development, cost reduction and quality improvement are being made on continuous basis as per the requirements of the market. The technology being used for the manufacture of cables is developed by in-house efforts and is at par with industry norms.

#### (b) Benefits derived as a result of the above efforts e.g., product improvement, cost reduction, product development, import substitution etc

Proper Housekeeping, tidiness, upliftment of facilities, proper resource utilization lesser Scrap / Wastage, lesser break down & enhancement of the productivity & morale of Work Force.