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# **UNIFLEX CABLES LTD.**

19TH ANNUAL REPORT  
**2008-2009**



## BOARD OF DIRECTORS

Dr. Narendra D. Desai  
(Chairman)

Shri. Kushal N. Desai

Shri. Chaitanya N. Desai

Shri. V. A. Gore

Shri. F. B. Virani

Shri. H. N. Shah

} w.e.f.  
30/08/08

Shri. Bijay Singh Baid

(Managing Director upto 29/08/08)

(Chairman upto 30/09/08)

Shri. Jay Kumar Baid

(Executive Director upto 30/09/08)

Shri. Ajay Kumar Baid

(Executive Director upto 30/09/08)

Shri. Sanjay Kumar Baid

(Executive Director upto 26/08/08)

Shri. Raghunath Rai Kumar

Shri. B. L. Gupta

Shri. Suresh Nevatia

} upto  
25/08/08

### MANAGER & COO

Shri. V. K. Bajaj

w.e.f. 08/10/08

### COMPANY SECRETARY

Shri. M. C. Bhalawat

### AUDIT COMMITTEE

Shri. V. A. Gore

(Chairman)

Shri. F. B. Virani

Shri. H. N. Shah

} w.e.f.  
30/08/08

Shri. B. L. Gupta

Shri. R. R. Kumar

Shri. Suresh Nevatia

} upto  
25/08/08

Shri. Jay Kumar Baid

(upto 30/09/08)

### AUDITORS

M/s. Rashmi Zaveri & Co.

(Chartered Accountant)

Arham, Ground Floor, Suit No. 2

Plot No. 266, Near Gandhi Market

Sion (E), Mumbai - 400 022

### REGISTERED OFFICE

Apar House, Corporate Park,

Sion-Trombay Road,

Chembur, Mumbai - 400 071.

Tel.: (022) 25263400/67800400

### WORKS

158 to 163, GIDC

Umbergaon - 396 171

Distt. Valsad (Gujarat)

Tel: (0260) 2562412

### EMAIL

info@uniflex.in

### WEB SITE

www.unicab.com.

### REGISTRAR & TRANSFER AGENT

M/s Karvy Computershare Pvt. Ltd.

17-24, Vittal Rao Nagar,

Madhapur, Hyderabad - 500 081.

Tel. : 040-23420815 to 28

Fax No.: 040-23420814/23420857

E-mail : mailmanager@karvy.com

Website : www.karvycomputershare.com

### BANKERS

Indian Bank

Yes Bank

Syndicate Bank

## CONTENTS

Notice .....	2
Directors' Report .....	5
Management Discussion & Analysis .....	9
Corporate Governance Report .....	11
Auditors Report .....	20
Balance Sheet .....	22
Profit & Loss Account .....	23
Schedules Annexed to Balance Sheet .....	24
Schedules Annexed to Profit & Loss A/c ...	28
Notes to the Accounts .....	31
Balance Sheet Abstract .....	43
Cash Flow Statement .....	44
Statement U/s. 212 for Subsidiary Co. ....	45
Consolidated Accounts .....	46



## NOTICE

NOTICE is hereby given that the 19<sup>th</sup> Annual General Meeting of the Shareholders of UNIFLEX CABLES LIMITED will be held at Mysore Association Hall, Matunga Circle, Near Maheshwari Udyan, Matunga, Mumbai - 400 019 on Monday, the 14<sup>th</sup> day of September, 2009 at 10.30 A.M. to transact the following business :

### ORDINARY BUSINESS:

1. To receive, consider and adopt Balance Sheet as at 31<sup>st</sup> March, 2009 and the Profit & Loss Account for the year ended on that date together with the Reports of Directors and Auditors thereon.
2. To consider and, if thought fit, to pass with or without modification, the following resolution(s) as an Ordinary Resolution:  
**"RESOLVED THAT** Mr. V. A. Gore who was appointed as a Director in casual vacancy, retires by rotation and holds office upto the date of this Annual General Meeting of the Company and is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under the provisions of Section 257 of the Companies Act, 1956 proposing his candidature for the office of a Director, be and is hereby appointed as a Director".
3. To consider and, if thought fit, to pass with or without modification, the following resolution(s) as an Ordinary Resolution:  
**"RESOLVED THAT** Mr. F. B. Virani who was appointed as a Director in casual vacancy, retires by rotation and holds office upto the date of this Annual General Meeting of the Company and is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under the provisions of Section 257 of the Companies Act, 1956 proposing his candidature for the office of a Director, be and is hereby appointed as a Director".
4. To appoint Auditors of the Company and to fix their remuneration.
5. a) As stated in Paragraph 'O' of the Directors' Report, the Company has received an approval u/s. 212(8) of the Companies Act, 1956 from the Ministry of Corporate Affairs, Government of India vide its letter dated April, 24, 2009, exempting the Company from attaching the Annual Accounts, Reports and other statements pursuant to Section 212 (1) of the Companies Act, 1956, in respect of the Company's Wholly Owned Subsidiary M/s. Marine Cables & Wires Private Ltd. with the Annual Reports of the Company for the financial year ended March 31, 2009. Therefore, the accounts and reports of the said Subsidiary Company are not attached herewith.  
b) However, a statement showing information in aggregate of the said Subsidiary Company in compliance with the aforesaid approval letter dated April 24, 2009 of the Ministry of Corporate Affairs has been attached with the consolidated financial statements.  
c) The Company shall provide a copy of the Annual Accounts and related information/reports for the year 2008-09 of the Subsidiary Company as required under Section 212 of the Act to the shareholders on their request, free of cost, at any point of time. Further the annual accounts of the Subsidiary Company shall be available for inspection at the Registered Office of the Company and that of the Subsidiary Company.
6. The Register of Members and Share Transfer Books for the Equity Shares of the Company shall remain closed from Monday, the 7<sup>th</sup> day of September, 2009 to Monday, the 14<sup>th</sup> day of September, 2009 (both days inclusive).
3. Members desirous of obtaining information / details about the accounts, are requested to write to the Company at least one week before the meeting, so that proper information can be made available at the time of meeting.
4. The details of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting as required in terms of Clause 49 of the Listing Agreement of the Stock Exchanges are also annexed hereto and forming part of the Notice.

### NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ALSO ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH PROXY NEED NOT BE A MEMBER. THE PROXY FORM DULY COMPLETED AND SIGNED SHOULD REACH THE COMPANY'S REGISTERED OFFICE AT LEAST 48 HOURS BEFORE THE TIME APPOINTED FOR THE MEETING.**



## ANNEXURE TO THE NOTICE

### EXPLANATORY STATEMENT

As required by Section 173(2) of the Companies Act, 1956, the following explanatory statement sets out material facts relating to business under item no. 2 & 3 of the accompanying Notice dated 25<sup>th</sup> June, 2009.

#### ITEM NO. 2

Mr. V. A. Gore was appointed as a Director w.e.f. 30<sup>th</sup> August, 2008 to fill the casual vacancy caused due to the resignation of Mr. R. R. Kumar retires by rotation. Pursuant to Section 262 of the Companies Act, 1956 Mr. V. A. Gore will hold the office upto the date of ensuing Annual General Meeting. The Company has received a notice in writing from a member under the provisions of Section 257 of the Companies Act, 1956 proposing the candidature of Mr. V. A. Gore for the office of a Director.

Except Mr. V. A. Gore none of the Directors is concerned or interested in the said resolution.

#### ITEM NO. 3

Mr. F. B. Virani was appointed as a Director w.e.f. 30<sup>th</sup> August, 2008 to fill the casual vacancy caused due to the resignation of Mr. B. L. Gupta retires by rotation. Pursuant to Section 262 of the Companies Act, 1956 Mr. F. B. Virani will hold the office upto the date of ensuing Annual General Meeting. The Company has received a notice in writing from a member under the provisions of Section 257 of the Companies Act, 1956 proposing the candidature of Mr. F. B. Virani for the office of a Director.

Except Mr. F. B. Virani none of the Directors is concerned or interested in the said resolution.

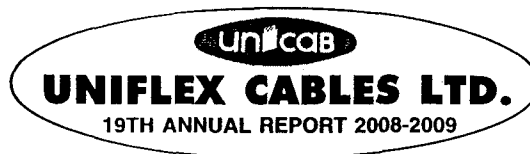
#### Registered Office:

Apar House, Corporate Park,  
Sion-Trombay Road, Chembur,  
Mumbai – 400 071

By Order of the Board

Place : Mumbai  
Date : 25<sup>th</sup> June, 2009.

(M. C. BHALAWAT)  
Company Secretary

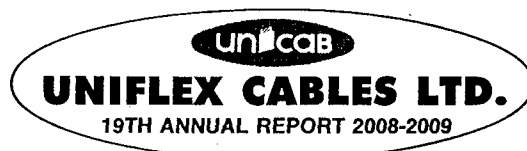


**Details of Directors seeking appointment / re-appointment at the  
ensuing Annual General Meeting.**

(Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges)

<b>Name of Director</b>	<b>Shri. V. A. Gore</b>	<b>Shri. F. B. Virani</b>
Date of Birth	18.09.1938	26.06.1945
Date of Appointment	30.08.2008	30.08.2008
Expertise in specific functional areas	Finance and Banking	Chemical Engineering
Qualifications	B.Com., M.F.M.	B.E. (Chem. Engg.) M.S. (Chem. Engg.) USA. M.B.A. (USA)
List of other Companies in which Directorship held as on 31.03.2009.	1. M/s. Apar Industries Ltd. 2. M/s. Ipca Laboratories Ltd. 3. M/s. Gujarat Borosil Ltd.	1. M/s. Apar Industries Ltd. 2. M/s. Dyna Cybertech Services Pvt. Limited
Chairman / Member of the Committee of other Public Companies on which he is a Director as on 31.03.2009.	<b>1. <u>Apar Industries Limited</u></b> a) Audit Committee-Chairman b) Share Transfer & Shareholders Grievance Committee - Chairman c) Member of Share Issue Committee d) Member of Compensation-cum-Remuneration Committee  <b>2. <u>Ipca Laboratories Ltd.</u></b> Member of Audit Committee and Remuneration Committee.  <b>3. <u>Gujarat Borosil Ltd.</u></b> Member of Audit Committee & Chairman of Remuneration Committee.	<b><u>Apar Industries Limited</u></b> Audit Committee - Member
No. of Shares held in the Company	NIL	NIL
Relationship between Directors inter se	N.A.	N.A.





## DIRECTORS' REPORT

To The Members,

Your Directors hereunder present the Nineteenth Annual Report of the Company together with the Audited Annual Accounts showing the financial position of the Company for the year ended 31<sup>st</sup> March, 2009.

### A. FINANCIAL RESULTS

Particulars	Rs. in Lacs	
	31-Mar-09 (Standalone)	31-Mar-08 (Standalone)
Operating Profit/(Loss)	(1,314.29)	526.34
Less: Interest & Finance Charges	1,028.37	842.67
(Loss)/Profit before Depreciation & Tax	(2,342.66)	(316.33)
Less: Depreciation/write off	517.86	481.27
(Loss)/Profit before Tax & Extra Ordinary Items	(2,860.52)	(797.60)
(Loss)/Profit before Tax	(2,860.52)	(797.60)
Less: Provision for Tax	-	0.19
Less: Provision for FBT	6.95	6.29
(Loss)/Profit after Tax & available for appropriation	(2,867.47)	(804.08)
Add/Less: Transferred from/(to) Debenture Redemption Reserve	-	954.00
Deficit brought forward from previous year	(1,756.16)	(1,906.08)
Balance available or appropriations	(4,623.63)	(1,756.16)

Consolidated Loss before tax of the Company was Rs. 2862.19 Lacs includes Loss of Marine Cables & Wires Private Limited (Wholly owned Subsidiary).

In view of the losses, your Directors do not recommend any dividend for the year.

### B. REVIEW OF OPERATIONS

During the year under review, the Company has achieved Sales Turnover (net of taxes) of Rs. 12,785.92 Lacs as against Rs. 10,671.29 Lacs for the year ended 31<sup>st</sup> March, 2008. This shows an increase in the sales turnover during the financial year 2008-09. However, this was not sufficient to break-even & the Company has incurred a Net Loss of Rs. 2,860.52 Lacs before tax out of which loss of Rs. 2,587.59 Lacs was incurred in the first

half of the F.Y. 2008-09, during which the Directors of Previous Management were continued as Executive Directors.

After the resignation of the said Executive Directors the new Management actually got involved in the day-to-day affairs of the Company from September 2008 onwards. After it's preliminary study of the operations, various steps have been taken in the area of its productivity, debottlenecking of manufacturing facility, expansion of production lines and markets, strengthening of managerial resources etc. The Company's performance has gradually improved since then. Further Company is investing in manufacturing all types of conductors etc. in the new manufacturing facility (Plot 153) at Umbergaon, Dist. Valsad, Gujarat.

On account of loss incurred during the year, the Company has become a Potentially Sick Industrial Company under the provisions of Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) as its accumulated losses at the end of the financial year ended 31<sup>st</sup> March, 2009 exceeds 50% of its net worth and Company proposes to make a report of the fact of such erosion to BIFR under Section 23 of SICA. A separate notice of the EGM for the purposes is being issued to consider remedial measures in this regard as required by the law.

### C. CHANGE IN CONTROL & MANAGEMENT - APAR INDUSTRIES LTD. - NEW PROMOTER

As reported last year M/s Apar Industries Ltd. (AIL) a Listed, Profit making and dividend paying Company (Listed on BSE & NSE), became entitled to take over the Control and Management of the Company from July, 2008 and your Company has become subsidiary of AIL. However, new Management actually got involved in the day-to-day affairs of the Company from September 2008 as reported in Para 'K' below.

### D. ACQUISITION OF MARINE CABLES & WIRES PVT. LIMITED

As a strategic investment decision, your Company in the month of January 2009 has acquired the entire 100% issued and paid-up capital of M/s. Marine Cables & Wires Pvt. Limited, an



## DIRECTORS' REPORT (Contd...)

existing Body Corporate which was doing job works for the Company at its plant located at GIDC - Umbergaon. With this acquisition, M/s. Marine Cables & Wires Pvt. Limited has become wholly owned subsidiary of our Company. The Company has also subscribed for four numbers 8% Cumulative Redeemable Preference Shares of Rs. 1,000/- each fully paid.

### E. SHARE CAPITAL

During the year under review, your Company has issued 26,67,000 new Equity Shares of Rs. 10/- each fully paid to Baid Family & Associates (erstwhile Promoters) and 5,33,000 new Equity Shares Rs. 10/- each fully paid to M/s. Brescon Corporate Advisors, a body corporate upon conversion of total 32,00,000 Equity Warrants of Rs. 25/- each into equal number of fully paid equity shares at a premium of Rs. 15/- each.

After above issue of fresh Equity shares, the issued & paid-up capital of the Company has increased to Rs. 24,98,03,660 consisting of 2,49,80,366 Equity shares of the face value of Rs. 10/- each fully paid.

### F. LISTING

The Company's equity shares are listed on the Bombay Stock Exchange Ltd., Mumbai (BSE).

### G. FUTURE OUTLOOK

With the political stability in the country after recently concluded General Election, the medium and long term future outlook for cable industry seems to be encouraging as the demand for Power Generation & its distribution enjoys top priority of the new Government.

India's need of the hour is to build Power Generation capacity and over Rs. 1,00,000 Crore are likely to be invested for generation and transmission of Power by 2012 during eleventh five year plan which will create huge demand for power cables. In addition, various industrial projects are expected to take off during the coming months. These market dynamics should result in increased demand.

With change in Control and Management of the Company, the Capex plan being under implementation and few balancing equipments already installed, your Company expects to achieve higher sales and better performance in coming years.

### H. CORPORATE GOVERNANCE

Your Directors fully endorse the principles of Corporate Governance and to implement the same as per requirements of Clause 49 of the Listing Agreement and the points which are required to be covered under the head "Management discussion and analysis" is also attached to this report.

### I. RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with regard to the Director's responsibility statement, it is hereby confirmed that:

- i. In the preparation of the annual accounts for the financial year ended March 31, 2009, the applicable accounting standards were followed along with proper explanations relating to material departures, if any.
- ii. Appropriate accounting policies were selected and applied consistently and judgement and estimates made 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 loss of the Company for the financial year under review.
- iii. Proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956.
- iv. The annual accounts were prepared on a going concern basis.

### J. DEPOSITS

Your Company has not accepted any fixed deposit from public within the meaning of Section 58-A of the Companies Act and rules made there under.

### K. CHANGES IN BOARD OF DIRECTORS & MANAGEMENT DURING THE YEAR UNDER REVIEW

#### I. Resignation

- i. Shri. R. R. Kumar, Shri. B. L. Gupta and Shri. Suresh Nevatia, all Independent Directors resigned as Directors w.e.f. 25<sup>th</sup> August, 2008.
- ii. Shri. Sanjay Kumar Baid, the Executive Director of the Company resigned as



## DIRECTORS' REPORT (Contd...)

Director w.e.f. 26<sup>th</sup> August, 2008 and consequently, he also ceased to be Executive Director of the Company.

- iii. Shri. Bijay Singh Baid, Chairman and Managing Director, resigned as Managing Director w.e.f. 29<sup>th</sup> August, 2008 and as Director w.e.f. conclusion of the Board Meeting held on 30<sup>th</sup> September, 2008.
- iv. Shri. Jay Kumar Baid and Shri. Ajay Kumar Baid, Executive Directors resigned as Directors w.e.f. conclusion of the Board Meeting held on 30<sup>th</sup> September, 2008 and consequently, they also ceased to be Executive Directors of the Company respectively.

### II. The Board has appointed

- i. Shri. V. A. Gore, Shri. F. B. Virani and Shri. H. N. Shah as Directors on the Board of the Company w.e.f. 30<sup>th</sup> August, 2008 in the casual vacancy caused by the resignations of Shri. R. R. Kumar, Shri. B. L. Gupta and Shri. Suresh Nevatia respectively.
- ii. Shri. V. K. Bajaj as Manager within the meaning of Section 2(24) of the Companies Act for a period 3 years w.e.f. 8<sup>th</sup> October, 2008. His appointment was approved at the 18<sup>th</sup> AGM by the shareholders.

III. Shri. V. A. Gore and Shri. F. B. Virani retire by rotation at the ensuing Annual General Meeting (AGM) of the Company and being eligible, offer themselves for re-appointment. Necessary resolutions in this regard have been included in the notice convening the ensuing AGM. The Board recommends the said resolutions.

### L. PARTICULARS OF EMPLOYEES

There are no employees whose remuneration were in excess of the limits prescribed under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975, as amended.

### M. AUDITORS

The Auditors, M/s. Rashmi Zaveri & Co. Chartered Accountants, retire at the ensuing

Annual General Meeting and have confirmed their eligibility and willingness to accept office, if re-appointed.

### N. AUDITORS' REPORT

The observations contained in the Auditor's Report are self-explanatory and therefore, no further comments are required separately.

### O. OTHER INFORMATION

- a) The Company has been granted exemption for the year ended March 31, 2009 by the Ministry of Corporate Affairs vide its letter dated the 24<sup>th</sup> April, 2009 from attaching balance sheet, the annual report of the Company's wholly owned subsidiary viz. M/s Marine Cables & Wires Pvt. Limited. As per terms of the exemption, a statement containing brief financial details of the said subsidiary for the year ended 31<sup>st</sup> March, 2009 are included in the annual report of the Company.
- b) Attached to and forming part of this report are the following:
  - i) Particulars relating to conservation of energy, technology absorption and foreign exchange earning and outgo.
  - ii) Report on Corporate Governance and Auditors' certificate regarding compliance of the conditions of Corporate Governance.

### P. ACKNOWLEDGEMENT

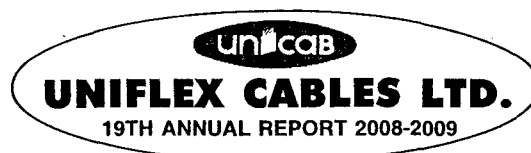
Your Directors would like to express their grateful thanks for the continuous support, assistance and co-operation received from the Banks, Apar Industries Ltd. (AIL), Government Authorities, Customers, Vendors and Shareholders of the Company. Your Directors also wish to place on record their appreciation for the dedicated services rendered by the employees of the Company.

For and on behalf of the Board

Place : Mumbai  
Date : 25<sup>th</sup> June, 2009

(V. A. GORE) (C. N. DESAI)  
Director Director





## ANNEXURE TO THE DIRECTORS' REPORT

### FORM – A

#### Conservation of Energy

##### a. Energy Conservation measures taken.

1. Installed VFD (Variable Frequency Drives) for various machines resulting into saving in power consumption.
2. Preventive maintenance schedule for better efficiency of equipments and operations.
3. Plant lighting are changed from mercury to CFL to save on energy cost.
4. Introduced system quarterly internal energy audit.

##### b. Additional investments and proposals, if any, being implemented for reductions of consumption of power:

1. More number of wind driven air ventilators are envisaged.
2. Harmonic filters planned to be installed to improve power quality.
3. Improved solar day - lighting system planned
4. Staggering of high peak load planned.

##### c. Impact of the measures at (a) and (b) above for reduction of energy consumption and subsequent impact on the cost of production of goods:

- i. Electrical energy optimization
- ii. Less failure of Equipments .
- iii. Improved Productivity.
- iv. Not measured

##### d. Total energy consumption and energy consumption per unit of production as per Form-A in respect of industries specified in the schedule thereto:

Not applicable.

### FORM – B

#### Form for disclosure of particulars with respect to Absorption, Research and Development (R & D):

##### 1. Specific areas in which R & D is carried out by the Company:

- Development of HT/LT Aerial Bunch Cables, Elastomer Compounds, Chemically Cured Cross linked Cables (an alternative to Electron Beam Cured Cables), Optical Fibre Cables for Defence application.

##### 2. Benefits derived as a result of the above R & D:

- Trial orders received and successful execution will open up good opportunities during next year.

##### 3. Future plan of action:

- To continue to perfect the technology in the above mentioned areas towards cost reduction and widening the business in similar areas of application.

##### 4. Expenditure on R & D:

- Expenditure on R & D have not been accounted for separately.

#### Technology absorption, adaptation and innovation

##### 1. Efforts in brief, made towards technology absorption, adaptation and innovation:

Technical know-how on HT/LT cables is now fully absorbed.

##### 2. Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product developments, import substitution etc.

- a) The development of Chemically Cured Cross Linked Cables, Optical Fibre Cables for Defence applications viz. Tactical OFC, Torpedo Cables. Sonar and Mine sweeping cables are under process and newer designs are being developed based on the earlier success.
- b) Elastomer Cables compounds in-house developed has reduced cost to make the product more competitive in current situation.

##### 3. Imported Technology: Nil

### FORM – C

#### Foreign Exchange Earnings and Outgo:

Rs. in Lacs

a) Foreign Exchange Earnings:	3,637.15
b) Foreign Exchange outgo:	
i) On Import of Raw Material	4,921.94
ii) On Import of Capital Goods	Nil
iii) On Expenditure	261.80

For and on behalf of the Board

Place : Mumbai  
Date : 25<sup>th</sup> June, 2009

(V. A. GORE) (C. N. DESAI)  
Director Director



## MANAGEMENT DISCUSSION AND ANALYSIS

### FORWARD-LOOKING STATEMENTS

This report contains forward looking statements that covers expectations and projections about the future, including statements about the Company's strategy for growth, product development, market scenario, expenditures and financial results.

Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized fully. The Company's actual results, performance or achievements, could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

### OVERALL REVIEW

The Company is manufacturing both power & telecom cables. The Company markets its cable under the brand name UNICAB from past several years. During the year the power cable industry has shown signs of declining demand in the domestic market. The demand of the telecom cable has also not been improving.

### OPPORTUNITIES AND THREATS

The Indian power sector is currently dominated by State/Central utilities. The installed generation capacity in the country at present is about 1,40,000 MW.

India is a power deficient country with a significant energy shortage. As our country's Annual GDP continues to grow at 6 to 7%, energy requirement is also bound to grow rapidly.

To bridge this deficit and to cater to future demand, the country needs additional power generation capacity of approx. 78,000 MW over the next five years. Apart from capacity shortage, the power sector in the country is plagued by high transmission and distribution losses, lack of grid discipline, old transmission lines and distribution systems. It is against this backdrop that Parliament has enacted the Electricity Act 2003, the single most important piece of legislation for the power sector in India. The Act aims at liberalizing the power sector, by creating a vibrant and progressive legislative framework to facilitate India's accelerated economic growth.

Some of the key features of the Act, which would radically alter the power sector landscape include

liberalization of the generation sector, introduction of competition in transmission and distribution through open access, mandatory segmenting of SEBs leading to privatization, introduction of trading as a separate market function, preparation of national policies on tariff, Rural electrification, renewable energy development, strengthening of the roles of regulatory commission, constitution of appellate tribunal and stringent anti-theft measures to curb the incidence of high commercial losses. All these measures will give a boost to power sector in the country which will provide good opportunities for business growth in the power cable segment.

The telecom cable sector continues to witness tough times. The capacity utilization rates across companies are at low and uneconomical levels. The surplus capacity relating to demand, has led to lower realisations, making the business operations for telecom cable (both Jelly Filled Telecom Cable (JFTC) and Optical Fibre Cable (OFC)) companies unremunerative. This has taken its toll on revenues and profits of all major cable manufacturing companies.

### THREATS

Since the Company largely depends on projects and tenders and any slow-down in the same mainly in core sector, could effect Company's growth. Similarly in its Telecom Division major orders come from BSNL and MTNL and its procurement may effect due to technological advancement in wireless technology. The volatility in the International Metal prices may affect business performance.

### SEGMENT-WISE PERFORMANCE

The Company mainly operates in two segments i.e. Power and Telecom cables.

The segment wise performance of the Company have been mentioned in the para (f) Item No. 9 of Notes to the Accounts as per schedule 'K'.

### OUTLOOK

The demand for power cable is likely to be emerging stronger as economy picks up. The Central Government also plans to create significant additional power capacity during current year, giving major boost to power distribution sector. Similarly further investment by large industrial houses in industrial capex and infrastructure projects gaining momentum will also drive the demand of power cables