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INDIA 2009-10
CONSUMER VALIDATED

Finolex
Cables Limited
AN IS/ISO 9001 COMPANY

FCL:SEC:AR18-19:180
23rd August, 2019

The Manager
Listing Department
National Stock Exchange of India Ltd
`Exchange Plaza', C-1, Block G,
Bandra – Kurla Complex,
Bandra (E),
Mumbai – 400 051

Dear Sirs,

We enclose soft copy of the Annual Report for the financial year 2018-19 together with Notice and Explanatory Statement thereto in respect of the Fifty-First Annual General Meeting (AGM) of the Company (included therein at Page No.200), which is scheduled to be held at the Auditorium of Auto Cluster Development and Research Institute, H Block, Plot C-181, Near D Mart, Chinchwad, Pune - 411019 on Wednesday, 18th September, 2019 at 11.30 a.m. to transact the business as set out in the Notice.

Kindly acknowledge receipt.

Thanking you,

Yours faithfully
For FINOLEX CABLES LIMITED

R G D'SILVA
Company Secretary
& President (Legal)

Encl : As above.

Enhance.
Engage. Expand.



Finolex Cables Limited

2018-19 Annual Report

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200 Notice

With future opportunities for growth rooted in the strategic direction taken today, at Finolex Cables, our rich legacy of over five decades propels us to take the right decisions at the right time to move ahead faster.



Download this report or read online at
www.finolex.com

Forward-looking Statements
This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. 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 realised. 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. The Company has sourced the industry information from the publicly available resources and has not verified those information independently.

Our core businesses of electrical and communication wires and cables are leaders in their segments whilst our newer business of electrical consumer durables is making fast progress. Given the emerging opportunities as a New India is being shaped, each of our business segments holds considerable promise for realising higher revenues and growth. Cognisant of the attractive dynamics and led by our continued commitment to provide our stakeholders the best returns in the industry, we have devised an action plan and commenced its execution to take advantage of the burgeoning prospects and accelerate value creation.

We are enhancing our strengths by adding new lines and capacities in our manufacturing, growing our portfolio with new product variants and product offerings and significantly increasing our distribution network. We are deepening our engagement with our channel partners, customers and consumers. The investments that we are making will be a source of competitive advantage, enabling us to capitalise on the unfolding opportunities and expand our business growth.

Enhance. Engage. Expand.

Our smart strategy for delivering sustained value for all our stakeholders.



About Finolex Cables

5
Manufacturing Sites

26
Branches

5,000+
Channel Partners

30,000+
Retail Touchpoints

Who we are

Finolex Cables is India's largest and leading manufacturer of electrical and telecommunication cables and a fast-growing player in the fast-moving electrical goods (FMEG) industry.

How did we grow

Since 1958, we have remained focussed on expanding our manufacturing capabilities, embracing pioneering techniques, embedding the latest technology, growing our distribution network and maintaining the highest quality for our products and processes. Our tactical decision to invest in backward integration for the manufacture of critical cable components and engage in collaborations with leading global players have further strengthened our operations.

What products do we offer

Wires & Cables

Light Duty Cables

- FR PVC Insulated Industrial Cables
- Flexible Cables
- Solar Cables
- Elevator Cables
- 3CF & WW Cables for Agricultural Sector
- Auto & Battery Cables for Automobile Sector
- LT & HT Power and Control Cables

Communication Cables

- Optic Fiber Cables
- Co-axial Cables
- LAN Cables
- Telephone Cables
- CCTV Cables
- Speaker Cables
- Jelly Filled Telephone Cables (JFTC)

Lighting

- T5 & T8 Tubes
- Ballast Fittings
- LED Products

Electrical Switches

- Switch Range
- Mounting Boxes

Switchgear

- MCB
- RCCB
- DB

Fans

- Ceiling Fans
- Table Fans
- Wall Fans
- Pedestal Fans
- Exhaust Fans

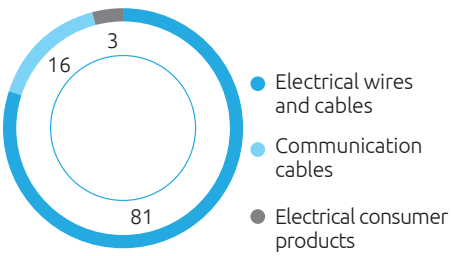
Water Heaters

- Instant
- Storage

With whom do we collaborate

Technology Partner	Area of Technology Solutions
Essex Corp. USA (Superior)	JFTC Cables, Copper Rods
AT&T (Lucent Technologies)	Optic Fiber Cables
Corning, USA	Optic Fiber
NSW, Germany	Winding Wires
Sumitomo, Japan	EHV Power Cables
GE, USA	Compounds

Revenue Segmentation (%)



What are our strengths

- Strong brand name
- Wide product portfolio
- Manufacturing prowess
- Technological competence
- Wide distribution network
- Backward integration
- Diversified operations

Our Brand Commitment

- Quality
- Safety
- Reliability

Mapping our Pioneering Initiatives

No. 1 First

- First to make multi-strand wires
- First to manufacture auto cables
- First in private sector to manufacture and supply JFTC to DoT
- First to launch FRLS wires and cables
- First to make co-axial cables using physical foam process
- First to make aerial cable designs
- First to manufacture LAN cables with UL verification
- First and only company in India to manufacture power cables up to 500 kV through Joint Venture
- First in industry to be integrated backwards, capturing entire value chain

Letter from the Chairman



Revenue

Rs. **3,200** crores
FY 2018-19

6.2%

Rs. **3,012** crores
FY 2017-18

PBT

Rs. **532** crores
FY 2018-19

5.5%

Rs. **504** crores
FY 2017-18

PAT

Rs. **344** crores
FY 2018-19

3.9%

Rs. **358** crores
FY 2017-18

Dear Shareholders,

It is with great pleasure that I present before you the Annual Report of your Company for the financial year ended 2018-19. Throughout this period, we have maintained focus on the swift execution of our action plan to Enhance our strengths, Engage with our stakeholders and Expand our opportunities. We are confident that as our implementations gather momentum, it will take us on a sustained higher growth trajectory.

As expected, the stabilisation of the Goods and Services Tax (GST) has resulted in the wires and cables industry steadily moving towards the organised market from a largely unorganised market. However, the demand for electrical and communication cables remained muted during the year due to subdued growth in end-user sectors, especially real estate and telecommunications. The natural calamity of floods in Kerala also impacted our business operations. Notwithstanding this difficult market environment, the distinct recognition our brand commands enabled us to deliver a resilient financial performance. For the full year, we recorded 6.2% growth in revenue, realising Rs. 3,200 crores as against Rs. 3,012 crores in the previous year. Profit before tax increased by 5.5% to Rs. 532 crores for the year as against Rs. 504 crores for the previous year. Profit after tax declined moderately to Rs. 344 crores for the year as against Rs. 358 crores during the previous year. Volatile commodity pricing and unwinding of tax holiday benefits at our facility at Roorkee, Uttarakhand impacted our margins.

Our state-of-the-art manufacturing facilities have been one of our greatest strengths. We continue to invest in maintaining this strategic edge. We have committed a capex of Rs. 200 crores over the next 18 months for enhancing our manufacturing capabilities at Urse, Pune. This capex is directed towards enhancing production capabilities to meet the requirements of the Solar Power Industry and the Automotive Industry, bringing in-house certain value additions which were outsourced earlier and further expansion of the Optic Fiber line. With the resounding results of the national elections, progressive government policies and programmes that were initiated in the past five years, the telecom network expansion is expected to pick up pace. Among these, Bharat Net, Digital India and Smart Cities projects, in particular, provide a thrust to digitisation and

offer attractive medium and long-term prospects for the demand of optic fiber.

In the area of electrical wires and cables, our wide array of quality products has enabled us to serve almost every industrial and domestic requirement. Our focus on maintaining industry-leading portfolio remains unchanged. We will soon be introducing new solar cables and automotive cables that meet emerging demands of the respective sectors. Also, the construction sector, which accounts for 60% of our electrical wires and cables revenue, is poised for strong growth aligned with the government's efforts to boost real estate and infrastructure development. Government projects such as Saubhagya Scheme – an initiative to provide electricity to all households, Power for All and Integrated Power Development Scheme – which will spur investments to improve transmission and distribution efficiencies, Deendayal Upadhyaya Gram Jyoti Yojana to boost rural electrification, and Housing for All also augur well for the sustained demand of our electrical wires and cables.

Led by our purpose of growing our new vertical of electrical consumer products and further diversify our business, we are intensely focussing on getting the distribution metrics right. Our strategy is directed towards setting up a robust two-tier distribution model. This will ensure that our home products are available on the store shelves of more retailers across the country, leading to higher sales conversion. Aligned with this strategy, we have commenced on an ambitious plan of enhancing our retail outreach to 1,50,000 from the current base of 30,000 by the end of this financial year. To achieve this fivefold strong distribution target, we are deploying industry-best practices and latest technology tools that enable us to engage better with our channel partners.

We launched our exclusive retail store - Finolex House - during the year. The launch of Finolex House is our commitment to the consumers to offer them the whole range of Finolex quality products under one roof. Our target is to set up 50 such Finolex Houses by the end of this financial year. Coupled with expansion of our distribution network, the increased spends we are making towards advertising and marketing will also deepen our brand engagement. Our greatest thrust is in the realm of digital through a wide spectrum of compelling marketing content on popular platforms. We are confident that our focussed efforts will make us a well-recognised player in the fast-moving electrical goods segment and bolster our revenues from this vertical.

Finolex Cables has a proud history of winning prestigious awards and recognitions for its premium offerings and technologically advanced operations. Adding to our accolades, we were conferred the 'Expert's Choice Award in the category of Electrical Wires and Cables' for the year 2018. This award further reaffirms our commitment of delivering excellence across our products.

In summary, FY 2018-19 was a successful year as we bolstered our foundation for the future. Importantly, we did so while staying true to our brand commitment of quality, safety and reliability. Looking ahead, we are confident that your Company is in attractive segments in which it enjoys a strong competitive position. Our clear strategy of reinforcing our capabilities will help us seize the opportunities and drive sustainable growth and profitability. Finally, our strong balance sheet with a net cash surplus positions us well to grow our business organically as well as inorganically. We have been keeping a watchful eye for value-accretive acquisitions, especially in the electrical line of business.

Finally, I would like to take this opportunity to thank our employees for their hard work and commitment throughout the year. The success of our business is driven by the energy they bring to work every day. I would also like to extend my appreciation to our distribution partners, suppliers, customers, consumers and our bankers for their continued support; and our valued shareholders for the confidence they have reposed in our Company. I look forward to our continued success in achieving our goals and delivering strong performance.

Mr. D.K. Chhabria
Executive Chairman

Enhancing Our Strengths

Our growth strategy is aligned with the proficiency and competitive edge which we have established in our business. By enhancing our capabilities which have got us far and ahead in our journey, we are reinforcing our foundation for continued and higher growth. After all, you can grow profitably and sustainably only from a position of strength.





>Rs. 200 crores

Planned capex over the next 18 months to enhance manufacturing capabilities

Location	Product
Roorkee, Uttarakhand	Electric wire for construction; wires for automobile; switches; switchgear and agricultural applications
Urse, Pune, Maharashtra	All electrical wires, optic fiber cables and all communication cables
Pimpri, Pune, Maharashtra	Telephone cables; winding wire for pump-set industry
Verna, Goa	Electrical wires, optic fiber cables, co-axial cables
Ponda, Goa	Copper rods

New Solar & Automotive Cables

Exciting innovations to meet new demand

Expanding manufacturing prowess

Our rapid and industry-leading growth has been the outcome of a well-formulated strategy for setting up modern, well-equipped plants and regular capacity expansion aligned with market requirements. Our approach has been to go for expansion whenever we have reached 75% capacity utilisation. Backward integration has been another strategic lever deployed to ensure full control of quality and add value to our products. Further, our diversified manufacturing presence has provided us a locational advantage in reaching out pan-India.

Data traffic in the country is set for exponential increase with higher number of connected devices, increasing video consumption and surging data consumption per unit. This coupled with

Government's thrust on digitisation is fuelling the demand for optical fiber. With our current manufacturing unit for optical fiber operating close to 75% capacity, we are acting in advance to augment our production volume. The addition of a new line at our Urse facility in Maharashtra will boost our optical fiber capacity to successfully meet the expected surge in market demand. The expansion at Urse facility will also enable us to strengthen backward integration for our processes and products.

On the electrical cables side, we are making investments in our manufacturing capabilities which will lead to newer products and newer applications. In addition, aligned with our continued focus on driving an efficient value chain, we are also increasing backward integration at our Urse plant. Initial approvals for the expansion at Urse plant have already been received. A new factory is also under construction at Goa for the manufacture of electrical conduits.

Growing our product portfolio

Our comprehensive and superior quality offerings in the wires and cables segment have made us a market leader in India's wires and cables industry. In the communication cables segment, from being the first private sector company in India to manufacture Jelly Filled Telephone Cables (JFTC) in the early 1980s to cater to the Indian telecommunications sector, to strategically shifting to the manufacture of optical fiber towards the late 1990s to serve the internet, digital and cable era, we have always been at the forefront of emerging market requirements. In the electrical cables segment, as well, our diversified product suite enables us to meet the requirements of a broad spectrum of industries and clients. Having entrenched our reputation and position in the wires and cables industry, we have leveraged our brand equity to foray into the electrical consumer segment with an aim to become a complete electrical products company, and also to emerge as a strong B2C player.

We continue to diversify and strengthen our product suite. So far, we were making solar cables with a chemical process; we will now be introducing solar cables and automotive cables manufactured using the Electron Beam Technology, which makes the insulation withstand higher temperatures with minimal wear/tear and makes the insulation more abrasion resistant. Conduits, the manufacturing plant for which is being set up, is also a new product in the offing. All our new offerings have exciting market opportunities in India. We also launched different variants of LAN cables and CCTV cables to boost our growth potential in the communication cable segment. Our home products such as electrical switches, lights, fans and water heaters have been well-accepted, and we remain focussed on growing this consumer-focussed range steadily. Aligned with this action plan, several new models of our existing products were introduced during the year.

Intensifying our distribution reach

The Company's vast distribution network has been a key strength for reaching out to different parts of the country. While the communication cables segment is largely a B2B business, electrical cables are sold to channel partners as well as institutional clients. West and South India account for 75% of our electrical wires and cables business. To gain market share in the North and East, we have been aggressively adding new distributors and dealers in these regions. Our well-established distribution network is also being leveraged to enhance the reach and accessibility of our electrical consumer products. At the same time, we are also building a separate network for every home product line. Recognising the dynamics of modern retail, we have also launched our own e-retail website to address the e-commerce and online retail opportunity.

During the year under review, for driving the sales of our consumer electric products, we have further stepped up our focus on our distribution network. Our objective is to build a robust two-tier distribution system by increasing our retailer touchpoints to 150,000 from the current coverage of 30,000. We aim to add 500-600 distributors to our channel partner network to achieve this strong retail reach. This massive rollout has commenced and is expected to be completed in this financial year. With significant expansion in the number of retailers stocking our new products, we are upbeat about more sales conversions.



150,000

Retailers

Projected coverage at the end of FY2019-20 from current strength of 30,000

Deepening Our Engagement

Investing in relationships is crucial for continued success. This philosophy inspires us to connect better with our channel partners, customers and end-users. We are confident that our focus on deepening our engagements with all our stakeholders will lead to greater brand recognition and recall and stronger relations, opening up new possibilities of business growth.



Engaging better with channel partners

For our core business of wires and cables, we have set up a strong distribution network over the years. Our channel partner network is an important business differentiator, adding efficiencies to our supply chain. We continue to pursue marketing strategies and promotions that provide mutual benefits to our channel partners and for our business. Maintaining regular communication with our partners is important to us for fostering stronger connections. During the year, meets at different levels, namely distributors, dealers and retailers were conducted at various locations. With the intent to serve our channel partner in a better way, we have launched the app Finolex Konnect. The technology solution enables our channel partners to track all relevant and recent information on products, promotions and price schemes, among others, at the click of a button.

> We continue to pursue marketing strategies and promotions that provide mutual benefits to our channel partners and for our business.

During the year, aligned with our strategy of ambitious two-tier distribution model for electrical consumer products, we invested in a powerful software for distribution management. Tracking both our dealers and retailers digitally, the built-in platform provides real-time visibility on product outflow, prices at the distributor and retailer levels,





> Our mobile app Finolex Electrician provides users with quick and easy access to a directory of electricians and electrical contractors near their current location and provides a market place for the electrician.

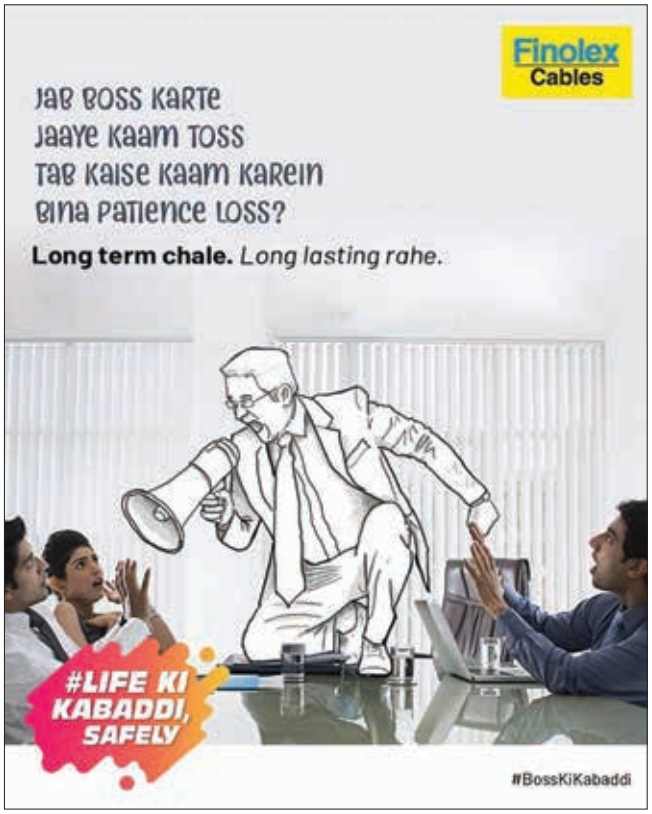
stockist inventory levels, among others. The chief advantages of this business intelligence are that it will enable us to help our distribution partners optimise inventory levels leading to better cash flows, eliminate operational inefficiencies, take informed decisions on the primary and secondary schemes to be launched - thereby improving service to our channel partners and strengthening our association.

The considerable efforts we are investing in building our channel partner relationships are delivering tangible results with good pickup in terms of number of retailers stocking our electrical consumer products.

Reaching out to customers

Managing our relationship with key influencers is of paramount importance in our industry. Influencers include key decision drivers such as architects, electricians, contractors, builders and technicians. Our customer engagement programmes are specifically designed to reach out and engage with these key influencers. We continued to pursue strategic initiatives such as loyalty and reward programmes for strengthening connect.







Getting Closer



Aligned with our goal to become a B2C player in addition to being a B2B player, we continue to engage closely with consumers with a blend of innovative business ideas, marketing and technology. At every touchpoint, our aim is to deliver a differentiated experience and strengthen brand recognition.

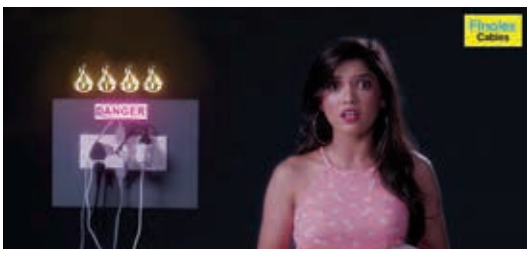
The key highlight of the year of our efforts to deepen consumer engagement was the launch of Finolex House at select cities across the country. Finolex House serves as a one-stop shop for consumers who are constructing or improving homes, thus enabling them to get a first-hand feel of our products. The store offers end-to-end electrical solutions for a safe home, from a range of high-quality cables to electrical fittings, including our home appliances comprising fans, water heaters, switches, accessories, switchgear products and LED lighting products. We launched four such exclusive retail stores during the year. Our goal is to launch 50 such stores across Tier 1 and Tier 2 cities by the end of this financial year.

50
Exclusive retail stores to be launched











to Our Consumers

We also increased our visual presence with higher spends on advertising and marketing. With increasing number of consumers moving online, we continue to adopt digital technology to reach out to them. In fact, a significant share of our media impressions are through the digital medium. During the year, various campaigns for celebratory occasions, Finolex House launch, electrical safety and product awareness were driven on the social media through digital posts and video promotions.

Recognising the massive fan base for sports in India, we continue to sponsor the Kings XI Punjab team at the Indian Premier League (IPL) and the 'Jaipur Pink Panthers' team in the Pro Kabaddi League tournament. Our partnership with Kings XI Punjab and the Jaipur Pink Panthers enabled us to garner huge brand visibility, increase our brand reach and engage better with audiences through one of the most awaited and watched sporting events of the country. We also leveraged our IPL and PKL association on social media by engaging with audiences through catchy digital media campaigns featured throughout the tournament. This was evident from the popularity of the digital content with video views exceeding 45 Lakhs and Facebook fans exceeding 5 Lakhs.

E-commerce is transforming the way consumers shop across the world, so we continue to invest in being a connected company. Our E-commerce site offers consumers the option to shop online seamlessly. Our digital marketing strategy is devised to drive traffic to our E-commerce platform; the growing number of visitors on our site proves that our approach is headed in the right direction. By further analytics of E-commerce Site usage by visitors, we are constantly upgrading and updating our site to enhance deeper interactions and usability.

Digital Outreach

More than:

45 Lakh
video views

270 Lakh
people reached digitally

5 Lakh
fans on Facebook.
Second- largest in our category

Expanding Our Opportunities

Our comprehensive product portfolio, along with its diverse applications, meets the requirements of a wide range of customers. Having carved a leadership position in India's wires and cables industry, we extended our offerings to home appliances products by leveraging our brand prominence and vast network. With an entire gamut of products and appliances, we are confident of seizing the enormous market opportunities.

Diversified Product Portfolio



Wires & Cables
(Light duty Cables, Power and Control Cables, Communication Cables)

Fast-Moving Electrical Goods (FMEG)
(Electric Switches, Switchgear, LED Lightings, Fans, Water Heaters)

Wires & Cables

Electrical Cables
Electrical Cables include light duty cables for electrification of industrial establishments, electrical panel wiring and consumer electric goods; automotive and battery cables used in wiring harness for various applications; high and low voltage power cables for power distribution and solar cables for use in solar parks.

Communication Cables
Communication Cables comprise traditional Jelly Filled Telephone Cables (JFTCs); LAN and coaxial cables for use in high-speed networks, mobile towers and cable TV solutions; V-SAT cables and special CCTV cables. It also includes the new generation Optic Fiber cables which are used in networks requiring high-speed transfer of large bandwidth for voice image and data transmission.

FMEG

Electrical Switches & Lighting Products
Electrical Switches include premium and classic switches, sockets and regulators utilised for power supply in domestic and industrial environment. Additionally, our CFL lamps, tube lights and LED based solutions are used for lighting purposes in homes, hotels, shops, offices and factories as well as for streetlight applications.

Electrical Fans, Switchgear and Water Heaters
Our electrical fans and premium water heaters find application in domestic and commercial environment. Circuit Breakers are used for voltage surge protection and safety purposes across both domestic and commercial applications.

External Growth Levers

- Growing urbanisation and nuclearisation
- Strong thrust on electrification
- Increased infrastructure and housing investments
- Shift towards organised sector
- Rising demand for renewable energy
- Focus on digitisation

Opportunity for Finolex Cables

India is growing at an unprecedented pace and is expected to become a USD 5 trillion economy over the next five years. Marquee government projects such as 100 Smart Cities, 50 Economic Corridors, 35 Multinational Logistics Parks, Deendayal Gram Jyoti Yojana, Integrated Power Development Scheme and Pradhan Mantri Awas Yojana continue to receive sustained allocation of massive resources and policy stimulus for realising their stated mission. This strong emphasis on electrification and digitisation, greater investments in infrastructure and housing, along with the growing share of the organised sector, provide ample headroom for growth of electrical wires and cables industry in India. Further, growing urbanisation, expanding middle-class and rising consumer awareness have resulted in increased aspirations and demand for quality electrical products.

Our extensive offerings in wires and cables segment suit diverse domestic and industrial requirements. Our foray into consumer electrical segment is in line with our aim of becoming an electrical products company and develop our B2C business in order to address the growing customer aspirations. Going ahead, we will continue to expand offerings in electrical products and introduce new products across multiple segments to augment the scale and strength of our business.

Did you know?

- India's urban population is expected to account for 36% of the total population by 2021
- By 2025, nearly 74% of the households in India will be nuclear families
- India has set a target of installing 100 GW of solar energy capacity by 2022
- India will be the first country in the world to utilise 100% LEDs for its lighting needs by 2019
- The fiber footprint in India is expected to rise 5x by 2022 from the current 15 lakh route kms to help implementation of 5G network

Showcasing Our New Products

FAN



Pedestal Krayer HS 400 mm



Agnor Bianco



Agnor Matt Black



Crossley Bakers Brown Gold



Crossley Metallic Blue Silver



Crossley Pearl Ivory Green



Crossley Satin Gold



Table Krayer-HS 400 mm



230 mm Barney HS



Wall Krayer-HS 400 mm



Blowin

WATER HEATER



Telica Ivory



Telica White

LIGHTING PRODUCT



LED Batten



Concealed - LED Down Light

CABLE



FR PVC Golden



LAN - CAT 6 Grey



CCTV Cable

CONCEALED BOX



Concealed Plastic Box



Switches - Surface Plastic Box

Amplifying Brand Connect through IPL Association



Mohit Sharma talks about his Mother

138K views · April 19, 2018



Shapath Safety Ki

327K views · June 8, 2018



Kings XI Punjab and Finolex Cables Together Taking...

44K views · June 12, 2018



KL Rahul talks about the #queens who have inspired...

357K views · April 18, 2018

Empowering Lives

At Finolex Cables, we strive to make a difference in the communities in which we operate by contributing to socio-economic development through our wide-ranging CSR activities. By exhibiting a commitment to social responsibility, we not only ensure the integrity of our business, but take care of the well-being of the communities as well.





Our commitment to creating value for stakeholders is seen in our involvement in multiple community development initiatives. Education, healthcare, women empowerment and environment protection form the most important focus areas of our CSR policy. Through our empowering and purposeful interventions, we aim to uplift the lives of underserved people and foster positive development in communities.

During the year under review, our Company undertook the following initiatives:

- Free medical care and services through multi-speciality hospitals
- Organised mobile hospital facilities along with improvement of healthcare facilities in rural areas
- Medical support to underprivileged and economically backward women with regard to their delivery and gynaecological problems
- Medical facilities for knee replacement, cataract and dialysis for people in need as well as children suffering from H1B diabetes
- Contribution to Medical Research Institutes for cancer research
- Betterment of school infrastructure in Maharashtra, Uttarakhand and Jammu
- Contribution towards disaster relief programme for flood-affected areas in Kerala
- Extended assistance for 'Namami Gange' initiative - National Mission for Clean Ganga
- Provided sewage treatment plants in the vicinity of our manufacturing units
- For their invaluable service to the society, Police Vans were provided to the 'Maharashtra Police' as per desired specifications

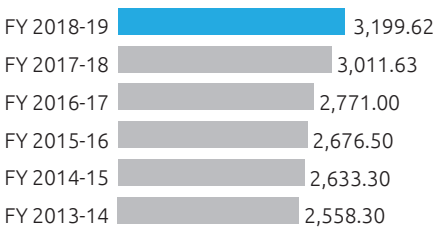






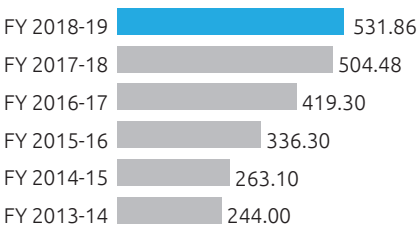
Our Financial Metrics

Total Revenue (Rs. in Crores)



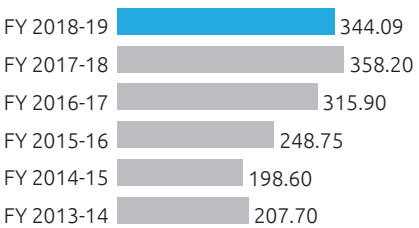
CAGR **4.58%**

PBT (Rs. in Crores)



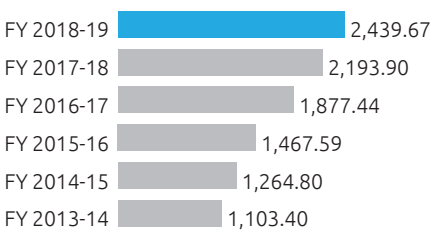
CAGR **16.86%**

PAT (Rs. in Crores)



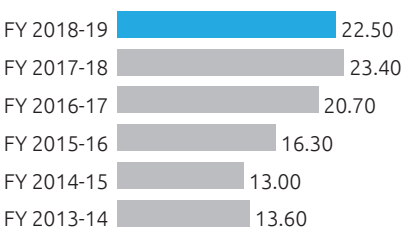
CAGR **10.62%**

Net Worth (Rs. in Crores)



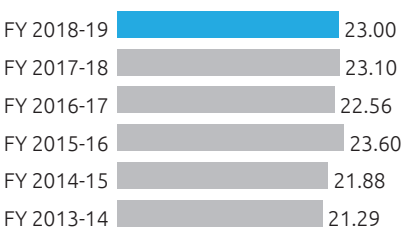
CAGR **17.20%**

EPS (Rs.)



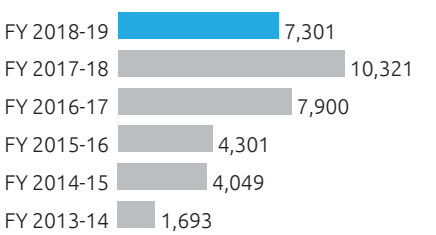
CAGR **10.59%**

ROCE (%)



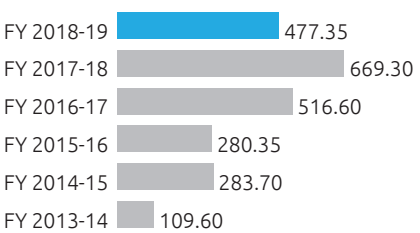
CAGR **1.56%**

Market Capitalisation (Rs. in Crores)



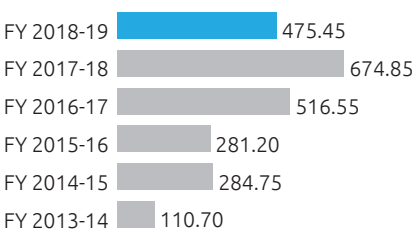
CAGR **33.95%**

Share Price BSE (Rs.)*



CAGR **34.22%**

Share Price NSE (Rs.)*



CAGR **33.84%**

*Last trading day

Ten-Year Financial Highlights

(Rs. in Crores)

Particulars	IGAAP							Ind-AS		
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Profit and Loss Account Data										
Gross Revenue *	1,750.7	2,212.3	2,218.8	2,447.7	2,558.3	2,633.3	2,676.5	2,771.0	3,011.6	3,199.6
Materials and Manufacturing Cost (Including Excise Duty)	1,357.3	1,803.2	1,762.9	1,904.1	1,973.1	1,998.3	1,960.8	1,952.8	2,103.3	2,265.0
Employee Cost	59.2	64.7	69.5	84.6	84.8	94.0	107.6	119.2	135.5	140.7
Depreciation	37.2	38.8	39.5	46.6	48.4	64.0	57.2	48.0	43.8	40.6
Interest and Finance Charges	18.7	19.1	26.1	13.4	14.5	13.6	9.5	4.3	1.4	0.9
Other Expenses	189.1	179.3	211.5	228.2	193.5	200.2	205.1	227.3	223.2	220.7
Profit Before Tax	**89.2**	**107.2**	**109.3**	**170.8**	**244.0**	**263.1**	**336.3**	**419.3**	**504.5**	**531.9**
Taxation	31.5	20.4	11.1	25.5	36.3	64.5	87.6	103.4	146.3	187.8
Profit After Tax	**57.6**	**86.8**	**98.2**	**145.3**	**207.7**	**198.6**	**248.8**	**315.9**	**358.2**	**344.1**
Other Comprehensive Income	-	-	-	-	-	-	-	3.8	13.5	(24.6)
Total Comprehensive Income for the year	-	-	-	-	-	-	-	319.7	371.7	319.5
Dividend (Including Tax on Dividend Distribution if applicable)	10.7	12.4	14.2	21.4	28.6	33.1	46.0	55.2	73.6	83.0
Balance Sheet Data										
Share Capital	30.6	30.6	30.6	30.6	30.6	30.6	30.6	30.6	30.6	30.6
Reserves	612.5	686.9	769.8	893.7	1,072.8	1,234.2	1,437.0	1,846.9	2,163.3	2,409.1
Net Worth	643.1	717.5	800.4	924.3	1,103.4	1,264.8	1,467.6	1,877.4	2,193.9	2,439.7
Loan Funds	275.1	260.1	171.6	180.6	147.0	126.7	51.2	-	-	-
Other Liability	-	-	-	-	-	-	-	6.6	7.5	9.8
Deferred Tax (Net)	31.9	31.0	32.6	34.5	29.5	30.0	23.0	18.9	34.9	58.3
Total Liabilities	**950.1**	**1,008.6**	**1,004.6**	**1,139.4**	**1,279.9**	**1,421.5**	**1,541.8**	**1,903.0**	**2,236.4**	**2,507.8**
Gross Block	831.3	856.3	884.6	977.7	1,072.8	1,096.0	1,107.4	1,148.5	1,181.2	1,213.8
Net Block	447.6	434.0	442.4	460.7	507.4	470.4	424.8	414.9	414.2	414.6
Investments	280.2	245.2	237.2	324.1	403.1	494.2	619.5	895.9	1,214.8	1,381.9
Net Current Assets	222.3	329.4	325.0	354.6	369.4	456.9	497.5	592.2	607.4	711.4
Total Assets	**950.1**	**1,008.6**	**1,004.6**	**1,139.4**	**1,279.9**	**1,421.5**	**1,541.8**	**1,903.0**	**2,236.4**	**2,507.8**
Key Ratios										
Growth in Revenue (%)	12.8	26.4	0.3	10.3	4.5	2.9	1.6	3.5	8.7	6.2
PAT to Revenue (%)	3.3	3.9	4.4	5.9	8.1	7.5	9.3	11.5	12.3	10.0
Return on Net Worth (%)	9.0	12.1	12.3	15.7	18.8	15.7	16.9	16.8	16.3	14.1
Earnings per Share Rupees (for face value of Rs. 2/- each)	3.8	5.7	6.4	9.5	13.6	13.0	16.3	20.7	23.4	22.5
Asset Turnover Ratio (Revenue to Total Assets)	1.8	2.2	2.2	2.1	2.0	1.9	1.7	1.5	1.3	1.3
Return on Capital Employed (%)	11.4	12.7	13.4	17.1	21.3	21.9	23.6	22.6	25.1	24.3
Debt to Equity Ratio	0.4	0.4	0.2	0.2	0.1	0.1	0.03	-	-	-
Payout Ratio (incl. Dividend Tax) Distribution to PAT (%)	18.6	14.3	14.5	14.7	13.8	16.7	18.5	17.5	20.6	24.1

Note :*

Comprises Income from Operations (including Excise Duty) and Other Income

Corporate Information

(Status as of 29th May, 2019)

Board of Directors

Mr. D.K. Chhabria
Executive Chairman

Mr. Mahesh Viswanathan
Deputy Managing Director and
Chief Financial Officer

Mr. Pratap G. Pawar
Independent Director

Mr. Pradeep R. Rathi
Independent Director

Mr. Shishir Lall
Independent Director

Mr. Mohan Lal Jain
Non Executive Director

Mrs. Shruti D. Udeshi
Independent Woman Director

Company Secretary and President (Legal)

Mr. Richard George D'Silva

Bankers

Central Bank of India

Corporation Bank

State Bank of India

ICICI Bank Ltd.

HDFC Bank Ltd.

Axis Bank Ltd.

Auditors

Deloitte Haskins and Sells LLP
Chartered Accountants

Cost Auditors

Joshi Apte & Associates
Cost Accountants

Secretarial Auditors

Jog Limaye & Associates
Company Secretaries

Solicitors

Juris Corp
Solicitors & Advocates

Registered Office

26-27, Mumbai-Pune Road,
Pimpri, Pune - 411 018, India
Tel: 020-27506200 / 27475963
CIN: L31300MH1967PLC016531

Board's Report

To,
The Members,

Your Board of Directors have pleasure in presenting the 51st Annual Report and Audited Accounts of the Company for the Financial Year ended 31st March, 2019.

FINANCIAL RESULTS

The summarized financial results for the year are as under:

(Rs. in Crores)

	STANDALONE		CONSOLIDATED	
	2018-19	2017-18	2018-19	2017-18
INCOME				
Revenue From Operations (Net)	3,077.8	2,884.2	3,077.8	2,884.2
Other Income	121.8	127.4	81.6	81.2
Total	**3,199.6**	**3,011.6**	**3,159.4**	**2,965.4**
EXPENDITURE				
Material Costs	2,264.9	2,103.2	2,264.9	2,103.3
Employee Benefit Expenses	140.7	135.5	140.7	135.5
Finance Costs	0.9	1.4	0.9	1.4
Depreciation, Amortization and impairment	40.6	43.8	40.6	43.8
Other Expenses	220.6	223.2	202.5	204.7
Total	**2,667.7**	**2,507.1**	**2,649.6**	**2,488.7**
Profit Before share of Net Profit of Investments accounted for using equity method and tax	531.9	504.5	509.8	476.7
Share of Net Profits of an Associate and Joint Ventures accounted for using equity Method	-	-	100.4	72.4
Profit Before Tax	**531.9**	**504.5**	**610.2**	**549.1**
Tax Expenses:				
Current Tax	165.7	131.7	165.7	131.7
Deferred Tax	22.1	14.6	37.1	87.3
Total Tax	187.8	146.3	202.8	219.0
Profit After Tax	**344.1**	**358.2**	**407.4**	**330.1**
Total Other Comprehensive Income / (Expenses) for the year	**(24.6)**	**13.5**	**(25.6)**	**13.2**
Total Comprehensive Income for the year	**319.5**	**371.7**	**381.9**	**343.3**

Global Economic Scenario

The global economic growth maintained its momentum at 3.6% in 2018 after its record upswing and strong growth witnessed at 3.8% in 2017. The same growth pace was also witnessed across Advanced Economies and Emerging Market and Developing Economies which grew at 2.2% and 4.5%, respectively, compared to 2.4% and 4.8%, respectively, achieved in 2017. Business and trade suffered amid an increase in trade tensions between the United States (US) and China, uncertainties over a no-deal Brexit and increasing discord amongst oil producing nations. Emerging Asian and African economies witnessed sluggish business confidence whereas Latin American economies continued to remain under pressure with a few countries experiencing unprecedented economic crisis. According to the International Monetary Fund (IMF), global economic expansion decelerated in the second half of 2018.

Going forward, subdued momentum in global economic activity is expected to continue in early 2019. Economic growth in 2019 is expected to be at 3.3%. However, trade tensions amongst advanced economies and the Eurozone are expected

to gradually stabilize resulting in positive market sentiments which would also accommodate the growth targets of the emerging economies. Global Economic growth is projected to recover at 3.6% in 2020.
(Source: IMF World Economic Outlook, April, 2019)

Indian Economic Scenario

India is expected to retain its ranking as the world's fastest-growing major economy with country's GDP growing at 7.2% in FY 2018-19 against a modest 6.7% in FY 2017-18 (as per CSO estimates). This growth can be attributed to the fading transitory effects of demonetization and Goods and Services Tax (GST), the consequential stabilization of the reform and rise in demand, consumption and investment. GST collections for FY 2018-19 stood at Rs.11.77 lakh crores and Net Direct Taxes collections for FY 2018-19 stood at Rs. 11.17 lakh crores, signifying an increase in demand, harmonization of the tax regime with transparency and industry acceptance together with increased compliance.

India climbed up 23 places to be ranked 77th in the 'Ease of Doing Business Report' by the World bank. This along with further liberalization of Foreign Direct Investments (FDI) policy areas, resulted in record FDI inflows during 2018. The country experienced an increase in manufacturing output, employment and sales owing to which the Nikkei India Manufacturing Purchasing Managers' Index (PMI) rose to a 14 month high of 54.3 in February, 2019 and India's Index of Industrial Production (IIP) rose by 4.4% year-on-year in 2018-19 (upto January, 2019). Total Merchandise exports during the year increased to USD 331 Billion and Total Services exports (upto February, 2019) increased to USD 185.5 Billion with India's Foreign Exchange Reserves reaching USD 405.6 Billion during March, 2019.

Going forward, the Indian economy is likely to sustain the growth achieved in 2018-19 with annual growth expected to remain above 7%. India's strong and improving macroeconomic fundamentals supported by rise in demand, consumption, output and investment along-with a stable Government at the Centre with focus on infrastructure development would contribute to its economic growth. In the Interim Budget 2019-20, the Government made an allocation of Rs. 4.56 lakh crores for the infrastructure sector, including railways, roadways, shipping and aviation. This was in addition to the Governments plans to build 100 smart cities, 50 Economic corridors, 35 multimodal logistics parks, installation of 175 GW renewable power capacity by 2022 and further impetus on increasing affordable housing with its 'Housing for all by 2022' or PMAY, Urban and Grameen initiative. Structural policy reforms such as focus on the Agrarian and rural sections of the economy, Direct Benefits Transfer Scheme for small and marginal farmers, Minimum Selling Price for Agricultural produce, restructuring and recapitalization of the Banking sector, introduction of the Insolvency and Bankruptcy Code (IBC), implementation RERA and REITS in the real estate sector, digitization and connectivity drive with Bharat Net, Digital India and global outreach of the Make in India initiative are further expected to contribute to the economic growth.

Performance of the Company

Total Income

Revenue achieved during the current year was Rs. 3,077.8 Crores as against Rs. 2,884.2 Crores in the previous year resulting in a 6.71% year-on-year growth, with growth achieved across all major product lines, of which Electrical Cables achieving a 8.2% growth and Consumer Products achieving a 18.5% Growth. Total Income for the year stood at Rs. 3,199.6 Crores as against Rs. 3,011.6 Crores in the previous year.

Profit Before Tax was recorded at Rs. 531.9 Crores as against Rs. 504.5 Crores during the previous year, resulting in a rise of 5.5%. The overall rise in the Profit Before Tax was lower than the growth in Revenue due to increased material costs during the year.

Electrical cables, which contribute approximately 80% of the Company's total revenue cater to the Real Estate market and therefore the segment's performance is directly related to the overall performance of the Real Estate sector. The Real Estate – residential market during the last six years, saw a steady decline in the total number of projects launched (decrease of 56% from 2013 to 2018) and sold (decrease of 26.4% from 2013 to 2018) accompanied by an increase in the unsold inventory (an increase of 60% from 2013 to 2018) (Source: Knight Frank Research and Liases Foras). This mounting pressure along-with demonetization, GST implementation and introduction of RERA peaked out during 2018 and saw a radical stalling of projects being executed, which eventually reflected in the Company's performance this year.

The Management Discussion and Analysis (MDA), forming part of this Report in Annexure A, inter-alia, deals adequately with the operations as well as the current and future outlook of the Company.

Exports:

The subdued pace in the global economic activity continued to reflect on the Company's exports which although grew at 10% year-on-year, stood at a modest Rs. 30.4 Crores as against Rs. 27.5 Crores during the previous year.

Finance

The short term debt programs of your Company continue to be rated by CRISIL. Since the last few years, these have been accorded the highest ratings that CRISIL issues (A1+). CRISIL has also retained the AA+/stable rating for the Company's long term debt offerings. During the year, however, no debt papers

were issued. As on the date of this report, your Company continues to remain debt free.

Financial costs have been contained to the minimum required levels. The Company continues to meet all its financial commitments in a timely manner.

Dividend

Based on the Company's performance, the Directors are pleased to recommend a Dividend of Rs. 4.5 per equity share i.e. 225 % of the face value of Rs. 2 each, for approval of the members at the ensuing Annual General Meeting. The total dividend outgo would involve a cash outflow of Rs. 83.0 Crores (including dividend tax).

As required by the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016, the Company has formulated and adopted a dividend distribution policy which is available on the Company's website www.finolex.com

Transfer to Reserves

The Company has not transferred any amount to the reserves during the current financial year.

Fixed Deposits

During the year under review, the Company has not accepted any deposit covered under Chapter V of the Companies Act, 2013

Change in Nature of Business

There has been no change in the nature of business of the Company during the year under review.

New Products and Expansion

Finolex House

During the year under review, your Company launched the first of its exclusive retail store chains, 'Finolex House', in Chennai. This was followed by progressive openings of 'Finolex House' stores at Vadodara, Bhopal and Ghaziabad. Your Company plans to open 50 such 'Finolex House' stores across the length and breadth of the country very soon. During the last two years, your Company had ventured into newer product segments tapping further into the Fast Moving Electrical Goods (FMEG) market, such as LED based lamps, low duty switch gear, fans and water heaters. During the year under review, this segment experienced newer product offerings and also successfully expanded its market reach. However, such FMEG products also require the consumers to be able to see, touch and feel the premium quality of the products and giving them an opportunity to provide their valuable feedback in terms of appearance, quality perception and price/ performance expectations for imminent volumes growth. This will now be achieved through the exclusive Finolex House stores and your Company expects larger volumes of revenues from such products.

Others

- Your Company has capex plans for normal growth in all its existing lines, wherein the Company plans to invest Rs. 200 Crores in the coming years. This includes the plans to set up another plant to manufacture solar cables using electron beam radiation technology at its complex in Urse. The project is still in its inception phase and will shape up in the upcoming years.
- The Company is also setting up a plant to manufacture PVC conduit pipes in Goa which is expected to be operational next year.
- Further, the Company is on the verge of completing its acquisition of 40 acres of Land in Vadodara which would be used for future expansion needs of the Company.

Joint Ventures, Subsidiaries And Associates

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules 2014, the statement containing salient features of the financial statements of the Company's Joint Ventures / Associates (in form AOC-1) is attached to this Report as Annexure G. The Company does not have any investments in subsidiaries.

Corning Finolex Optical Fibre Private Limited

The Bharat Net and Digital India initiative of the Government saw significant focus on improving infrastructure for increasing online and internet connectivity. This along-with the increasing competition in the telecom sector to provide broadband connectivity resulted in increased demand for optical fiber and increased business for the JV. Revenue achieved by the JV during FY 2018-19 was Rs. 327.6 Crores as against Rs. 237.3 Crores in the previous year resulting in an outstanding 37.9% year-on-year growth. Net Profit After Tax was recorded at Rs. 14.2 Crores as against Rs. 11.3 Crores during the previous, resulting in a rise of 25.7% - a record for the JV. Based on the market demand, the JV expects to grow at double digits during the next few years. Your Company's total equity participation in the JV at the end of 2018-19 stood unchanged at Rs. 1.75 Crores.

Finolex J-Power Systems Private Limited

As discussed in the Indian Economic Scenario section, the Government's vision for sustained and stable growth of the Indian economy includes a progressive outlook towards infrastructural development. Such smart cities, economic corridors, logistics parks, housing schemes, ports, metros etc. would require immense power supply and transmission of power to such places. The power sector plays a pivotal role in

the development of infrastructure and the Government has shown keen interest and consequent demand for High Voltage (HV) and Extra High Voltage (EHV) power transmission lines. This has been evident from the increasing number of tenders floated by many states and state utilities during the year.

The year under review had been very positive for the JV in terms of market penetration, reach and visibility in relationship building with customer base and the same was visible in the JV's ability to participate in tenders across various states. During the year, the JV successfully completed its first 220KV order from Delhi Transco, its earlier order from KSEB and successfully won major orders in the 110KV – 230KV voltage grade as well as orders for the Pune Metro project. The JV also successfully participated in 400KV tenders during the year, which was certified during the previous year. Although the JV faced challenges in participating for large tenders owing to the supplying, laying and commissioning experience criteria for such tenders, the JV had been successful in convincing utilities to accept parent credentials towards qualifications. This was evident with the successful participation in tenders worth Rs. 1,340 Crores for the year 2018-19, which form the basis of good opening order book position for the next year.

Based on its performance and outreach, it can be safely said that the JV will be able to break even as well as become profitable going forward, however, would need financial support through Equity infusion until then. Considering this, your Company had infused Equity worth Rs. 18.9 Crores in the JV during the year, taking the Company's total participation in the JV to Rs. 152.6 Crores at the end of FY 2018-19. The JV's long term potential and outlook indeed seem strong, but in the short term, it has been facing net-worth erosion and therefore your Company has recognized a diminution in the value of its investment of Rs 18.2 Crores during the year under review. This scenario is likely to prevail for at least 18 months more.

Particulars of Employees

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annexure F to this Report.

In terms of provisions of Section 197(12) of Companies Act, 2013 read with Rules 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of employees drawing remuneration in excess of the limits set out in the said rules are provided in the Annexure F to this Report.

Key Managerial Personnel

The following persons continued as Key Managerial Personnel during the year 2018-19

Name	Title
Mr. D K Chhabria	Executive Chairman
Mr. Mahesh Viswanathan	Deputy Managing Director & Chief Financial Officer
Mr. R G D'Silva	Company Secretary & President (Legal)

Human Resources

Your Company has always considered its human capital a critical factor to its success. In line with the Company's commitment to develop the work environment, strengthen its employees with their functional, managerial and leadership capabilities and preparing its employees to adapt to the fast changing external environment, the Company is revamping its human resource strategy, addressing key aspects of human resource development. The Company is striving to implement a process in line with benchmarked business practices and has put in place process in areas such as:

- Standard code of conduct
- A challenging and favorable work environment that encourages entrepreneurial behavior, innovation and the drive towards business excellence.
- Skill development of all Blue Collared workforce to enable them to effectively meet the productivity and quality deliverables.
- Development and delivery of comprehensive training programs to impact and improve function specific skills as well as managerial competence with the help of external consultants as well as internal training teams.
- Standard compensation packages to attract and retain talent across all functions.

The Company engaged approximately 1824 and 1828 permanent employees as at 31st March, 2019 and 2018, respectively. The number of flexible (contractual, trainee and temporary) employees as at 31st March, 2019 was 1464.

Corporate Governance

At the Company, we ensure that we evolve and follow the corporate governance guidelines and best practices sincerely, to boost long-term shareholder value and to respect minority rights. The Company considers it an inherent responsibility to disclose timely and accurate information regarding its operations and performance, as well as the leadership and governance of the Company. Your Company is in full compliance with the Corporate Governance guidelines as set

out in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") and is committed to good corporate governance laying a strong emphasis on transparency, accountability and integrity. Accordingly, all Directors and Senior Management employees confirm in writing their adherence to the Company's Code of Conduct.

A separate report on Corporate Governance (Annexure B) is provided together with a Certificate from the Statutory/ Secretarial Auditors of the Company regarding compliance with conditions of Corporate Governance as Annexure C, as mandated under SEBI LODR Regulations, 2015. There are no qualifications, reservations or adverse remarks or disclaimers made by the auditor in his report. A Certificate of the Chief Executive Officer and Chief Financial Officer of the Company in terms of Regulation 17(8), Part B Schedule II of SEBI LODR Regulations, inter alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee is also annexed.

Corporate Social Responsibility

Your Company envisages its vision through its tagline 'Finolex – Behtar ElectriKAL ke liye'. This vision not only encompasses the one-step-ahead quality of its products and customer satisfaction, but also a holistic approach about the well-being of the Company, its employees, its customers and the complete society. Your Company commits itself to utmost care and help for sections of the society in need of such a hand and this is visible through the CSR initiatives undertaken by the Company as well as the 'Hope Foundation' supported by the Company.

During 2018-19, your Company undertook the following CSR activities:

- Free Medical care through Multi-speciality Hospitals
- Mobile hospital facilities in rural areas along-with improvement of health care facilities in such areas
- Medical facilities for poor and backward class women for their delivery and gynecological problems
- Facilities for knee replacement, cataract and dialysis for needy people along-with medical help for needy children suffering from H1B diabetes
- Contribution to Medical Research Institutes for Cancer research
- Promotion of education, youth welfare and related activities along-with expenditure on improvement of school infrastructure in Maharashtra, Uttarakhand and Jammu
- Contribution towards relief for flood affected areas in Kerala
- Contribution towards the National Mission for Clean Ganga – 'Namami Gange' initiative.
- Sewage treatment plants where the Company's plants are located
- For their invaluable service to the society, Police Vans were provided to the 'Maharashtra Police' as per desired specifications

Annexure 'I' – Annual Report on CSR, forming part of this Report, inter-alia, provides the details of all CSR activities during the year under review and other related information.

Directors

In accordance with the provisions of the Companies Act, 2013 and the relevant Rules framed thereunder and of the Articles of Association of the Company, Mr. Mahesh Viswanathan (DIN: 02780987) retires by rotation at the ensuing Annual General Meeting and, being eligible offers himself for re-appointment. The Board recommends his re-appointment. The requisite details regarding his re-appointment are set out in the Notice for the ensuing Annual General Meeting.

At its meetings held on 14th November, 2018 and 5th December, 2018 the Board appointed Mr Mohan Lall Jain (DIN: 00148677) aged 71 years and Ms Poornima K Prabhu (DIN: 03114937) aged 43 years as Additional Director and Woman Director, respectively on the Board. Ms Poornima K Prabhu ceased upon resignation due to her other commitments. Mr Mohan Lal Jain holds office as such till conclusion of the ensuing Annual General Meeting of the Company. The Board recommends his re-appointment. The requisite details regarding his re-appointment are set out in the Notice for the ensuing Annual General Meeting.

Pursuant to the recommendation of the Nomination and Remuneration Committee ("NRC") in this regard, the Board at its meeting held on 14th February, 2019 appointed Mrs Shruti D Udeshi (DIN: 06900182) aged 35 years as an Independent Woman Director on the Board for a tenure of five years with effect from 14th February, 2019 which appointment is subject to approval of the Members at ensuing Annual General Meeting. The Board recommends her appointment as Independent Director by the Members and requisite details regarding her appointment are set out in the Notice for the ensuing Annual General Meeting.

Mrs Namita V Thapar (DIN: 05318899) aged 42 years being a Woman Director ceased at the last Annual General meeting held on 25th September, 2018. Dr H S Vachha (DIN: 00016610) aged 77 years being an Independent Director, had not been keeping good health since quite some time and needed help and assistance for his daily living and activities and could not

attend any Meeting of the Board and Committees thereof during the year under review, and, pursuant to the provisions of Section 167(1)(b) upon elapse of the period prescribed in this regard he ceased to be a Director of the Company. Mr Sanjay K Asher (DIN: 00008221) aged 55 years who had been appointed as an Independent Director ceased upon resignation due to his other commitments. The Board places on record its deep appreciation of the valuable contribution made by these Directors during their tenure on the Board of Directors of the Company.

Mr Pratap G Pawar (DIN: 00018985) and Mr Pradeep R Rathi (DIN: 00018577), Independent Directors will be completing their five years' term of appointment on 8th September, 2019. Following the recommendation of the NRC in this regard, the Board recommends the reappointment of Mr. P. G. Pawar. Pursuant to the provisions of SEBI (LODR) Regulations, 2015 as amended since Mr P G Pawar will be completing the age of 75 years in Financial year 2019-20, his reappointment will require approval of the Members to be passed as a special resolution. The terms and conditions of reappointment are being put up to the Members for approval. Accordingly, suitable resolution which appears in the Notice of ensuing Annual General Meeting has been proposed for consideration. The Board places on record its deep appreciation of the valuable contribution made by Mr. P. R. Rathi during his tenure on the Board of the Company.

Compliance Under the Companies Act, 2013

Pursuant to Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules of 2014, your Company complied with the requirements. The details of such compliances are enumerated below:

- **Web link to the Annual Return:** The Annual Return of the Company is available at the Company's website at www.finolex.com
- **Number of meetings of the Board:** The Board met on 7 occasions during the year. The details of the meetings are furnished in the Report on Corporate Governance which is attached as Annexure B to this Report.
- **Directors' Responsibility Statement:** Pursuant to Sections 134(3)(c) and134(5) of the Companies Act, 2013, (the "Act"), the Directors, to the best of their knowledge and belief and according to the information and explanations provided to them, confirm that:
  - in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same
  - 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 at the end of the financial year and of the profit and loss of the Company for that period
  - 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
  - the Directors have prepared the annual accounts on a going concern basis;
  - the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
  - the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- **Remuneration and Nomination Policy:** The Board of Directors has framed the policy which lays down a framework in relation to Appointment and Remuneration of Directors, Key Managerial Personnel and Senior Executives of the Company including the criteria for determining qualifications, selection and appointment. Further details are provided in the Corporate Governance Report which is attached as Annexure B to this Report.
- **Board Evaluation:** Pursuant to the relevant provisions of Companies Act, 2013, the independent directors at their meeting dated 29th May, 2019, without the participation of the non-independent directors and Management, considered and evaluated the Board's performance, performance of the Chairman and other non-independent directors. The evaluation was performed taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance. The Board of Directors expressed its satisfaction with the evaluation process.
- **Particulars of loans, guarantees or investments under section 186 of The Companies Act, 2013:** During the year, an equity investment of Rs. 18.9 Crores in the Company's JV - M/s Finolex J-Power Systems Private Limited.
- **Contracts or arrangements with related parties:** All transactions entered into by the Company with related parties were in the ordinary course of business and on an arm's length basis. Each of these transactions was reviewed by the Audit Committee prior to being

entered into and where necessary, was approved by the Board of Directors and the Members. In respect of transactions of a repetitive nature, an omnibus approval was obtained from the Audit Committee and Members where necessary. At every quarterly meeting, the Audit Committee reviews the transactions that were entered into during the immediately preceding period. Details of related party transactions have been disclosed under Note 35 to the financial statements. Details of the same are also reproduced in Form AOC 2 which is attached as Annexure H to this Report. The Company's Policy on transactions with related parties as approved by the Board is also available on the website of the Company at **www.finolex.com.**

- **Material changes and commitments affecting the financial position of the Company which have occurred between 31st March, 2019 and 29th May, 2019 (date of this report):** There were no material changes and commitments affecting the financial position of the Company between the end of the financial year (31st March, 2019) and date of this Report (28th May, 2019)
- **Significant and material orders passed by the regulators or Court or Tribunals impacting the going concern status of the Company:** There are no significant and material orders passed by the Regulators or Courts or Tribunals that would impact the going concern status of the Company or the Company's operations in the future.
- **Adequacy of Internal Financial Controls with reference to the Financial Statements:** Having regard to Rule 8 (5) (viii) of the Companies (Accounts) Rules, 2014, the details in respect of adequacy of internal financial controls with reference to the financial statements of the Company are as follows:

  Your Company maintains appropriate systems of internal control including monitoring procedures. These internal control systems ensure reliable and accurate financial reporting, safeguarding of assets, keeping constant check on cost structure and adhering to management policies. The internal controls are commensurate with the size, scale and complexity of the Company's operations and facilitate timely detection of any irregularities and early remedial steps against factors such as loss from unauthorized use and disposition. Company policies, guidelines and procedures provide for adequate checks and balances which are meant to ensure that all transactions are authorized, recorded and reported correctly. The internal controls are continuously assessed and improved / modified to meet changes in business conditions, statutory and accounting requirements.

  Constant monitoring of the effectiveness of controls is ensured by periodical audits performed by an in-house internal audit team as well as assignments entrusted to M/S Ernst & Young. Both these teams in their respective assignments test and review controls, challenge business processes for their robustness and benchmark practices in line with industry norms.

  The Audit Committee regularly meets and reviews the results of the various internal control audits both with the Auditors as well as with the respective Auditees. The Audit Committee is apprised of the findings as well as the corrective actions that are taken. Periodical meetings between the Audit Committee and the Company Management also ensure the necessary checks and balances that may need to be built into the control system.

- **Risk Management Policy:** Your Company has set up a Risk Management Committee of the Board of Directors which comprises Mr. P. G Pawar, Mr D K Chhabria, Mr Mahesh Viswanathan and Mr. M L Jain. More details of the risks faced by the Company are available in the Management Discussion and Analysis (MDA), attached as Annexure 'A' to this Report.
- **Vigil Mechanism / Whistle Blower Policy:** As required under Section 177 (9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Boards and its Powers) 2014 and Regulation 22 of the SEBI LODR Regulations, the Company has adopted a policy on vigil mechanism / whistle blower. The policy provides direct access to the Chairman of the Audit Committee in case any employee should choose to report or bring up a complaint. Your Company affirms that no one has been denied access to the Chairman of the Audit Committee and also that no complaints were received during the year. Brief details about the policy are provided in the Corporate Governance Report which is attached as Annexure B to this Report. Also, the policy is available at the Company's website at **www.finolex.com.**
- **Prevention of Sexual Harassment Policy:** The Company has in place a policy on prevention of sexual harassment in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

  During the year under review, two complaints were received:

  One complaint was received about a driver of an employee, wherein the Internal Complaints Committee of the Company had conducted an enquiry and on

acceptance of misconduct by the employee's driver, his services were terminated by the concerned employee.

Another case was received about an employee wherein the Internal Complaints Committee of the Company had conducted an enquiry and on acceptance of misconduct by the employee, his services were terminated by the company before the date of this report.

Auditors

M/s Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No.117366W / W100018), Auditors of the Company, hold office until conclusion of the Fifty-Fourth Annual General Meeting of the Company to be held in the financial year 2022-23, provided that their appointment shall be subject to ratification at every Annual General meeting if so required under the Act, and being eligible, offer themselves for such ratification of their appointment. Further as required under the provisions of Section 139 and Section 141 of the Companies Act, 2013 read with the Companies (Accounts) Rules 2014, the said Auditors have confirmed their consent as well as eligibility to continue to act as Auditor of the Company.

Cost Audit

As per the requirement of the Central Government and pursuant to Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) rules of 2014 as amended from time to time, your Company has been carrying out an audit of cost records every year. At the previous Annual General Meeting, the members had approved the appointment of M/S Joshi Apte & Associates as Cost Auditors, for the financial year 2018-19, at a remuneration of Rs. 5.0 lakhs plus GST, as applicable, and reimbursement of out of pocket expenses. Their work will commence shortly and their report would be filed with MCA on or before the due date.

The Cost Audit Report for the financial year 2017-18 was filed prior to its due date.

Secretarial Audit

In accordance with the provisions of Section 204 of the Companies Act, 2013, and the Rules made thereunder, M/s Jog Limaye & Associates, a firm of Company Secretaries in practice, was appointed by the Board to conduct the Secretarial Audit of the Company. There are no qualifications, reservations or adverse remarks or disclaimers made by them in their Report dated 24 May, 2019.

Their Report is attached as Annexure D to this Report.

Secretarial Standards

The Institute of Company Secretaries of India had revised the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) with effect from 1st October 2017. Your Company is in compliance with the said secretarial standards.

Listing of Securities

Your Company's equity shares are listed on the two premier stock exchanges of the country namely BSE Limited and National Stock Exchange of India Limited. Your Company had issued Global Depository Receipts which are listed on the Luxembourg Stock Exchange. Your Company has not issued any Non-Convertible Debentures ("NCDs") in financial year 2018-19 and no NCDs were outstanding as on 31st March 2019.

Energy, Technology and Foreign Exchange

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo required to be given pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is attached to this Report as Annexure E.

Cautionary Statement

Statements in this Boards' Report and Annexures may contain forward looking statements within the meaning of applicable Securities laws and regulations. Actual results could differ materially from those expressed or implied. Various factors including commodity prices, cyclical demand, changes in Government regulations, tax laws, general economic development could all have a bearing on the Company's operations and would impact eventual results.

Acknowledgements

Your Directors are grateful to the Central and State Governments, Statutory Authorities, Local Bodies, Banks and Financial institutions for their continued support and cooperation. Your Directors warmly acknowledge the trust and confidence reposed in your Company by its channel partners, dealers, customers and construction organizations in supporting its business activities and growth. Your Directors express their gratitude to the other business associates for their unstinting support. Your Directors value the commitment and contribution of the employees towards the Company. Last but not the least, your Directors are thankful to the Members for extending their constant trust and for the confidence shown in the Company.

For and on behalf of the Board of Directors

Pune
Dated: 29th May, 2019

D.K. Chhabria
Executive Chairman

Annexure A

Management Discussion and Analysis

Global Economic Scenario

The global economy grew modestly at 3.6% in 2018 after registering a strong growth of 3.8% in 2017. Growth across Advanced Economies and Emerging Market and Developing Economies also remained subdued at 2.2% and 4.5%, respectively, compared to 2.4% and 4.8%, respectively, achieved in 2017. According to the International Monetary Fund (IMF), global economic expansion decelerated in the second half of 2018. This was following a broad-based growth uptick in 2017 and early 2018. Activity softened amid an increase in trade tensions between the United States (US) and China, sluggish business confidence, growing concerns about a no-deal Brexit, tighter financial conditions and higher policy uncertainty across emerging markets and advanced economies.

Going ahead, slower momentum in global economic activity is expected to continue in early 2019. Economic growth in 2019 is pegged at 3.3%. However, growth is projected to pick up in 2020 to 3.6%. This may be attributed to accommodative monetary policies, elimination of temporary bottlenecks in the euro area, gradual stabilization in conditions of stressed emerging economies, positive market sentiments and recovery in commodity prices.
(Source: IMF World Economic Outlook, April 2019)

Indian Economic Scenario

India's Gross Domestic Product (GDP) is estimated to grow at 7.2% in FY 2018-19, up from 6.7% in FY 2017-18, as per the estimates of the Central Statistics Office (CSO). With this, it will continue to retain its ranking as the world's fastest-growing major economy. Economic growth can be attributed to an upswing in consumption and investment with the fading transitory effects of demonetisation and Goods & Services Tax (GST). Domestic demand continues to strengthen in India, aided by GST harmonisation and a rebound in credit growth. Though this standout reform witnessed initial teething problems, but its role in the economy's formalisation and instilling transparency in the business environment is largely encouraging.

Boosted by an increase in sales, output and employment in the manufacturing sector, the Nikkei India Manufacturing Purchasing Managers' Index (PMI) rose to a 14-month high of 54.3 in February 2019. Besides, India also climbed 23 notches to be ranked 77th (out of 190 nations) in the 'Ease of Doing Business Report' by the World Bank, underlining the nation's remarkable progress. GST collections touched Rs. 11.8 lakh crore in FY 2018-19, with record realisation of Rs. 1.1 lakh crore in March, signifying improved compliance. Despite a challenging global environment, India's exports soared to USD 331 billion during the year, the highest increase in the past five years.

Moving ahead, India's strong economic fundamentals continue to strengthen the overall outlook. Growth will continue to be driven by structural policy reforms such as recapitalisation of banks to improve lending, Insolvency and Bankruptcy framework for accelerated resolution of Non-Performing Assets (NPAs), greater access to banking, healthcare for poor and deprived class, and Real Estate (Regulation and Development) Act, among others. The Interim Union Budget 2019-20 has placed significant impetus on social infrastructure, ease of living and technology-led governance. The announcement of the landmark Direct Benefit Transfer Scheme for small and marginal farmers to alleviate the crisis in India's agrarian and rural economy may lead to higher spend and consumption. Among other notable initiatives contributing to growth are: government's aim to build 1,00,000 digital villages in the next five years; allocation of Rs. 4.6 lakh crore for infrastructure sector, including railways, roadways, shipping and aviation for FY 2019-20; focus on Make in India and Digital India; and thrust on renewable energy generation. Prediction of a normal monsoon, benign inflation outlook, softening oil prices and credit growth recovery are expected to bolster economic expansion.

Going forward, IMF has pegged growth at 7.3% in FY 2019-20 and 7.5% in FY 2020-21. This is largely due to strengthening of investment, improved export performance and strong consumption, along with favourable monetary and fiscal policies.

Business of the Company

Finolex Cables Ltd is one of India's largest and most diversified manufacturers of electrical and telecommunication cables. The Company has been maintaining its leadership in manufacturing of Industrial Cables since the last 50 years. This has been primarily due to its continued investments in world-class technology, modernising manufacturing capabilities and maintaining highest standards of quality and service. Its recent foray into electrical products segment underpins its attempt

to emerge as a leading and preferred electric solutions provider from being a mere wires and cables manufacturer. The addition of a unique range of home appliances products to its product portfolio has enabled the Company to augment its reach and presence in the consumer products market. Its new lines of business account for less than 5% of its total turnover and are reported as 'Others' in segment results.

The Company's Rod plant at Goa is engaged in the manufacturing of Continuous Cast Copper Rods (CCC rods). This supports the captive requirement of copper rods for producing copper-based electrical and communication cables. However, a modest portion of production of CCC rods is sold to third-party customers and the result of this is declared under the 'Copper' Segment.

The Company is resolutely focused on embracing innovative technologies across all its business facets to synergize its operations and meet the ever-evolving market requirements proactively and efficiently.

Major Products and Segments

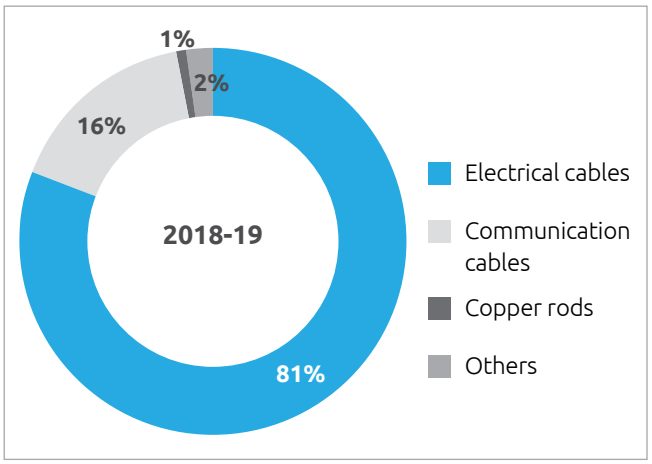
The comprehensive product portfolio of the Company is designed to cater to the diverse electrical requirements across domestic, commercial and industrial markets. Delivering a wide array of electrical and communication cables, it is recognized as the 'Total Cable Solutions' company that provides cable solutions for every need. With an aim to capitalize on its strong brand recall and distribution network, the Company entered the electrical consumer segment with the introduction of products such as LED lights, electrical switches, fans, water heaters and switchgear. These products are complementary to the electric cables market and well positioned to drive business growth in the coming years.

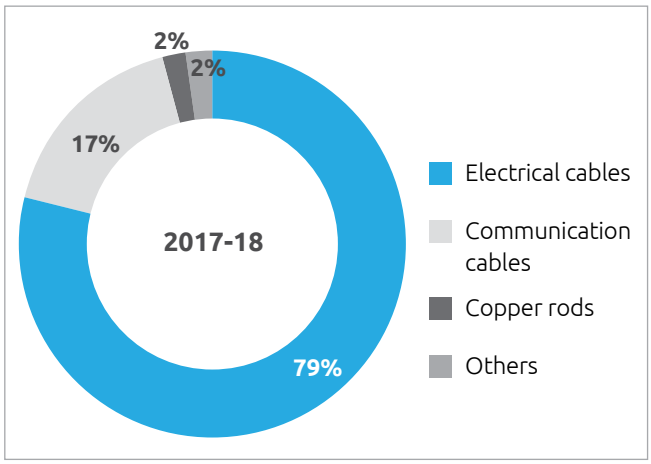
Product Portfolio

Group	Product Covered	Application
Electrical Cables	1100 V PVC Insulated Cables	Electrification of industrial establishments, used by construction industry, electrical panel wiring and consumer electrical goods
	Motor winding PVC insulated cables and 3 core flat cables	Submersible pumps and electrical motors
	Automotive/battery cables	Wiring harness for automobile industry and battery cables for various applications
	UPS cables	For providing power from the UPS to the computer / appliances in the networking environment
	Heavy duty, underground, low voltage, power and control cables	Connection to the user point from main supply of power
	Heavy duty, underground, high voltage, power cable	Intra-city power distribution network
	Elevator cables	For use by Elevator industry
	Solar Cables	Specially insulated cables for use in solar parks
Communication Cables	Optic Fiber cables	Networks requiring high speed transfer of large bandwidth for voice image and data transmission
	Optic Fiber	Principal raw material for Optic Fiber cables
	Coaxial cables	Cable TV network solutions, microwave communications, mobile towers
	Local area network (LAN) cables	Indoor and outdoor networking, voice and data transmission, broadband usage
	CCTV cables	For better quality of CCTV images
	Speaker cables	Broadcasting applications in buildings and electronic goods
	Jelly filled telephone cables (JFTCs)	Telephone line connections to exchanges and users
	PE insulated telephone cables (Switchboard cables)	Telephone instrument connections to EPABX
	V-SAT cables	For connecting V-SAT dish to base station.

Group	Product Covered	Application
Copper Rods	CCC rods of 8 mm diameter	Raw material for manufacturing copper-based Cables
Electrical Switches	Premium and classic switches, sockets, regulators, etc.	For power supply to equipment in domestic, commercial and industrial environment
Lamps	Retrofit/non-retrofit CFL lamps and T5 Tube Lights and Fittings, LED based lighting solutions	Lighting for domestic use, hotels, shops, offices, corridors and industrial lighting
Electrical Fans	Ceiling Fans, Portable Fans, Exhaust Fans	For use in domestic, commercial and industrial environment
Switchgear	Miniature Circuit Breakers (MCB), Residual Current Circuit Breakers (RCCB), Moulded Current Circuit Breakers (MCCB) and Distribution Boxes	For use in voltage surge protection and safety applications in domestic and commercial environment.
Water Heaters	Instant and Storage Water Heaters	For use in domestic and commercial environment

Revenue Break-Up





Operational Review

Quantities

- Electrical Cables at 62,483 MT as compared to 59,569 MT in the previous year.
- Communication Cables – Metal based at 8,091 MT as compared to 8,216 MT in the previous year.
- Communication Cables – Optical Fiber Cables 1,850,493 FKM as compared to 2,410,449 FKM in the previous year.

Revenue

- Electrical Cables at Rs. 2,494.4 Crores as compared to Rs. 2,306.2 Crores in the previous year.
- Communication Cables at Rs. 488.9 Crores as compared to Rs. 476.9 Crores in the previous year.
- Copper Rods at Rs. 28.3 Crores as compared to Rs. 59.8 Crores in the previous year.
- Other Products at Rs. 71.0 Crores as compared to Rs. 59.9 Crores in the previous year.

Revenue achieved during the current year was Rs. 3,077.8 Crores as against Rs. 2,884.2 Crores in the previous year resulting in a 6.71% year-on-year growth, with growth achieved across all product lines, of which Electrical Cables achieving a 8.2% growth and Consumer Products achieving a 18.5% Growth. Total Income for the year stood at Rs. 3,199. 6 Crores as against Rs. 3,011.6 Crores in the previous year.

Electrical cables, which contribute approximately 80% of the Company's total revenue cater to the Real Estate market and therefore the segment's performance is directly related to the overall performance of the Real Estate sector. The Real Estate – residential market during the last six years, saw a steady decline in the total number of projects launched (from 420,105 Units in 2013 to 182,207 Units in 2018, a decrease of 56%) and sold (from 329,238 Units in 2013 to 242,328 Units in 2018, a decrease of 26.4%). This was accompanied by an

increase in the unsold inventory (an increase of 60% from 2013 to 2018) (Source: Knight Frank Research and Liases Foras). This mounting pressure along-with demonetization and GST implementation and introduction of RERA peaked out during 2018 and saw a radical stalling of projects being executed, which eventually reflected in the Company's performance this year.

The real estate scenario is now expected to change, with the last two quarters of FY 2018-19 showing a growth after more than 6 years. Although this would mean only an off-loading of the current inventory pile-up, in the long run, the market will see a rise in the projects launched/sold and the real estate market is expected to pick up its pace. The Company expects substantially higher growth in revenues from the electrical cables segment in a few years.

Revenue from Optical Fiber Cables forms a majority part of the Company's revenue from the Communication Cables segment. The supply of raw materials required to produce optical fiber saw a severe crunch across the world during the first half of FY 2018-19, which was followed by a sudden influx of the material. This resulted in volatility in the availability and pricing of the material. The volatility resulted in a status quo/slower decision-making over Optical Fiber Cables tenders by the DOT and the State Utilities and hence resulted in a subdued growth of the segment.

This scenario however is expected to change with the stabilization of the trade tensions across the globe and the Company expects much higher revenues from this segment.

Exports:

The subdued pace in the global economic activity continued to reflect on the Company's exports which although grew at 10% year-on-year, stood at a modest Rs. 30.4 Crores as against Rs. 27.5 Crores during the previous year.

For more details on the operations, a reference may please be made to the financial statements

Key Financial Ratios:

Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires reporting of significant changes (change of 25% or more as compared to the immediately previous year financial) in the key financial ratios, along-with detailed explanations thereof. During the year, none of the key ratios registered significant changes i.e. a change of 25% or more as compared to the immediately previous financial year. Financial performance and key financial ratios for the last ten years are included elsewhere in the Annual Report and are available on the Company's website www.finolex.com.

Key Strengths

- **The Brand:** Right from its humble beginnings, your Company, like its motto 'Finolex – Gets People Together', attracted the best talent, technology, stakeholders and customers over its five-decade long journey. The conviction helped the Company firmly established itself as a consumer validated 'Superbrand' and one of India's largest and leading cable manufacturers, with a popular and positive brand resonance.

- **The Portfolio:** Having a wide and diversified product basket comprising of more than 50,000 SKUs, the Company is a 'one-place-to-go' for Cable solutions and is well placed to serve its evolving customer requirements across multiple applications.

- **The Quality - Behtar ElectriKAL ke liye:** Your Company envisages its vision through its tagline with a 'one-step-ahead' quality of its products and customer satisfaction. With its state-of-the-art manufacturing facilities and superior technological expertise, the Company ensures delivery of high quality, reliable and durable products, thereby creating a strong value proposition.

- **The Network:** The Company has implemented a vast channel network of over 5,000+ distributors across the country. This pan-India network enables it to supply products to its customers across the length and breadth of the country. The Company now also has four exclusive retail stores, 'Finolex House', with plans to open 50 such 'Finolex House' stores across the breadth of the country.

- **Backward Integration:** Backward integration for manufacturing crucial cable components such as CCC rods, PVC compounds, Optical Fiber and FRP rods has bolstered its capabilities in producing safe and world-class products and also to control costs.

- **Product Diversification:** To de-risk itself from core wires and cables business, the Company ventured into the production of a wide spectrum of electrical consumer products. This diversification has been vital in enhancing its brand visibility and boosting market reach in the vertical.

Growth Drivers

The Company's aspirations for growth are supported by its efforts on continuous improvements and sharp emphasis in the following areas:

- Unwavering focus on product quality and constant improvement in quality standards

- Strong thrust on innovation and strengthening technical competence

- In-house product development team to ensure sustained launch of new products
- Delivery of superior margins led by new product introduction and strong brand recall
- Competitive pricing and extremely competitive cost structure
- Creating customer preferences
- Powerful approach to situations
- Extensive and reliable distribution network across the country

Business Environment for Product Segments with Outlook

The segment-wise review on the markets served by the Company is discussed below:

Electrical Cables

Electrical cables can be further classified into light duty electrical cables, and power and control cables.

- Light duty electrical cables include electrical wires primarily used for general lighting purposes. Additionally, they are also used for electrification of industrial establishments, electrical panel wiring in industrial establishments and major equipment, as well as consumer durable goods, automobiles, agricultural pump sets and small generator applications.

- In power cables category, the Company is capable of manufacturing cables within the range 1.1 kV to 66 kV. Based on their applications, these high voltage cables are designed in various constructions; however, they are exclusively meant for underground usage. Power and control cables up to 3.3 kV rating are used for connecting user point to the main supply of power. Power cables above 3.3 kV rating are extensively used in underground applications for intra-city electricity distribution network. The Company manufactures insulated power cables only. These quality cables adhere to the requirements of international standards.

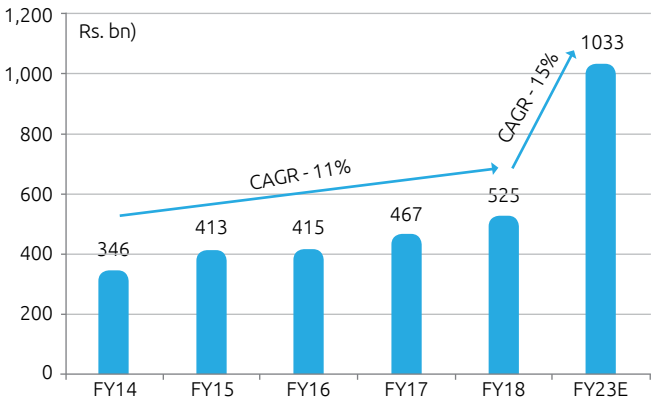
Performance

For the year under review, this segment registered sales of Rs. 2,494.4 Crores against Rs. 2,306.2 Crores of the previous year. It accounted for 81% of total sales for the year under review. Volume growth during the year was spread across product lines – Electrical Wires increased by 7% while the Power Cables grew by a modest 1%. The year saw stable commodity prices and hence value growth in revenue grew was similar to the volume growth. Margins, however, were reduced with EBT at 15.3% for the year as against 16.3 % in the earlier year. This was attributable to the Company shelling a premium on its raw material sourced from new/ foreign vendors owing to the lock-out of the Sterlite Copper smelting plant in Tamilnadu, the Company's regular Vendor.

Outlook

Electrical Cables is the Company's core product category with diverse applications across construction, auto, industrial, agricultural and power industries. The Government's Power for All mission, higher infrastructure spends and growth in affordable housing projects are likely to drive growth in the business. Infrastructure spending is estimated to rise close to Rs. 25 trillion over the next five years, aided by favorable policy reforms. Massive allocation of nearly Rs. 480 billion for development of 100 Smart Cities in India over a five-year period, along with focus on construction of metros in major cities will also spur demand for wires and cables. Increased outlay on power transmission and distribution schemes from the government such as Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY), Integrated Power Development Scheme (IPDS), and others, are also likely to significantly boost electricity availability. Further, led by key reforms such as RERA, GST and Pradhan Mantri Awas Yojana (PMAY), residential and commercial construction in India is projected to grow by 6-7% CAGR during FY 2019-2023. Increased demand for renewable power generation will also drive demand for solar cables.

Propelled by these positive developments, the wires and cables industry in India is projected to double over FY 2018-2023 to Rs. 1,033 billion, growing at a CAGR of 15% during the same period. The share of organized segment is expected to increase to 74% in FY 2023, up from 66% in FY 2018, largely aided by improved efficiency, greater marketing and branding initiatives, and better products and technologies.



(Source: Yes Securities: Wires and Cables Report)

Despite the lucrative growth potential, the Company faces two principal risks in this business - growing competition from large unorganized players and volatility in commodity prices. Nonetheless, the Company keeps competition at bay by delivering safe and superior products and maintaining the highest standards of service and quality. Besides, with its pan-India reach, strong presence and extensive portfolio, it meets diverse customer needs across varied industries. Backward integration and economies of scale enable the Company to minimize costs, thereby providing some insulation from pricing pressures. On account of the GST rollout, the industry has been gradually transitioning from a largely unorganized sector comprising smaller regional players to an organized one, comprising branded market players.

With regard to commodity price fluctuations, the Company passes on price increases to its customers. Further, it negotiates price variation contracts with vendors for bulk procurement of materials. Aided by its strong brand awareness and fair dealings with customers, the Company enjoys customer confidence in pricing decisions.

Communication Cables

The Company's communication cables segment comprises state-of-the-art, new generation communication cables and traditional telephone cables.

- The state-of-the-art communication cables segment is categorized into two types: Copper-based cables and Optic Fiber (glass-based) cables.

  Copper based cables consist of LAN cables, coaxial cables, PE insulated switchboard cables and V-SAT cables used for last mile connectivity. While LAN cables are used in high-speed networks, coaxial cables are used in microwave connections, mobile towers, and to provide content input to TV receiving sets. On the other hand, PE insulated switchboard cables are used for connecting telephone instruments to an EPABX system. V-SAT cables are useful for connecting the V-SAT dish to the base station. There are some newer variants too which include special cables that find applications in image capture, power solutions as well as CCTV cameras.

  Optic Fiber cables are glass-based cables having the maximum bandwidth and speed. Some of these cable designs are used as trunk cables for long distance networks, while other designs are used for distribution by telecom companies, multi-service organizations or other service providers.

  Communication cables enable transmission of data, images or voice, and are vital for economic growth. The speed and bandwidth are the factors that determine the potential of a communication network.

- Traditional telephone cables include copper-based JFTCs that are laid underground and are used to connect land line telephones to exchanges. The Company's JFTC business is losing steam with the increasing penetration of mobile phones in India and its substitution with the optic fiber cables. Irrespective of this, JFTCs continue to remain a preferred option for last mile connectivity in fixed line telephones. Given the moderate demand for JFTCs, the Company will continue to manufacture JFTCs, particularly with broadband features for supply to the public sector and private sector telecom companies, and to cater to export demand. The Company can produce JFTCs as per the evolving customer preferences.

Performance

The communication cables segment (including optic fiber) recorded sales of Rs. 488.9 Crores for the year under review against Rs. 476.9 Crores in the earlier year. All product lines under this segment delivered moderate volume growth. EBT levels for the year increased to 13.5 % in this segment as compared to 9.8% in the previous year due to revision in selling price of major supplies.

Outlook

Aligned with the Digital India initiative, India has been taking giant strides towards imbibing digital infrastructure. The government has been fast-tracking reforms in the telecom sector, thus providing ample headroom for growth to telecom players. The ambitious Bharat Net program is the largest rural internet connectivity program aimed to connect 2.5 lakh Gram Panchayats through optical fiber network. Additionally, the National Digital Communications Policy (NDCP), 2018 focuses on increasing high-speed broadband penetration with the use of modern technologies such as 5G and optical fibers across the country. The policy envisages attracting investment worth USD 100 billion. It aims to provide broadband connectivity to every citizen with 50 Mbps speed, ensuring fixed line broadband access to 50% households and internet connectivity to all uncovered areas, and deploying 10 million public Wi-Fi hotspots by 2022. Meanwhile, India's data consumption will continue to increase at a fast pace, supported by burgeoning smartphone penetration and increased broadband connectivity in remote areas across India under the Bharat Net initiative. That apart, internet penetration as a percentage of total households is estimated to reach 60% by FY 2023.

The Company is well-poised to bank on these attractive growth opportunities with its quality communication cables. As it manufactures communication cables that are in line with local and international quality standards, the Company's products generate significant demand in the domestic and export markets. Besides, its collaboration with US-based Corning Inc, an inventor of glass fiber and a world leader in glass and fiber manufacturing, enables the Company to leverage its technological capabilities and meet market challenges.

Increasing competition from unorganized players and copper price movement are the two vital risks that the Company faces in this segment. The Company negates the impact of these risks through better quality of product, negotiations for bulk buying and price pass on to customers.

Copper Rods

The Company manufactures copper rods which are utilized as feedstock for its copper-based electrical and communication cables. Copper cathodes, the base material for producing copper rods, are procured by the Company in bulk from local manufacturers under its long-term supply agreements, while the additional requirement is sourced through imports in small amounts. Once the in-house requirement of copper rods is fulfilled, the surplus produce is sold to third parties.

Performance

Copper Rod sales (including Inter Divisional Transfer) during the year under review were Rs. 940.0 Crores (previous year Rs. 904.3 Crores), of which Rs. 28.3 Crores were sales to third parties (previous year Rs. 59.8 Crores) and balance was inter-divisional transfers. The trend of high premiums on cathodes Vs comparably lower premiums on copper rods continues and negatively impacts the sales of copper rods for the Company. This put severe pressure on margins related to sale of copper rods to third party – consequently Your Company restricted its sale of copper rods to already committed contracts or contracts where the margin levels were acceptable.

Outlook

Copper based electrical and communication cables are likely to gain considerable traction, driven by the growing impetus on high-efficiency products such as motors and transformers. This, in turn, is likely to boost the demand for copper rods that the Company produces. In addition, the Company will also benefit from selling of copper rods to third parties under the GST regime. Rising demand for these cables bodes well for the Company and will lead to improved capacity utilization.

Electrical Switches, Switchgears and Lighting

The Company entered into the manufacture of electrical switches, switchgears and lighting products as a logical extension of its cable business. Backed by the strong Finolex brand, these products deliver improved quality, safety, reliability and performance. The Company has a well-entrenched distribution network which ensures their timely supply. The segment witnessed an impressive response for its products and clocked sales of Rs. 39.9 Crores during FY 2018-19, as against Rs. 31.4 Crores in the previous year.

The Company is focused on scaling this business significantly. It is ramping up efforts in growing the distribution reach and streamlining the team at the market level. Initiatives such as Housing for All and rural electrification, among others, will augment growth of this category.

Fans and Water Heaters

The Company made a strategic penetration into this segment post undertaking immense market research, consumer behavior analysis, consumption patterns and growth potential. This is in line with its aim to progressively venture into electrical products from wires and cables business.

The Company reported a strong performance in this segment, with its sales reaching Rs. 31.1 Crores in the year under review as compared to Rs. 28.5 Crores. Its products are well accepted in the market, reaffirming the Company's belief that quality product is paramount for sustainable and profitable business. It has formed an extensive network of service centers to manage these products and ensures the highest amount of customer satisfaction.

Over the past few decades, India has been witnessing steady urbanization, with its urban population expected to account for 36% of the total population by 2021. Further, increasing aspirations for premium products with higher income levels, growing number of households and nuclear families, and changing lifestyles are expected to fuel the requirement of these products.
(Source: Yes Securities: Wires and Cables Report)

Summary

The Company predominantly operates in business segments that are core to the government's key focus areas and infrastructural development. These businesses are crucial to accelerate the pace of economic expansion. Key growth drivers for the business include infrastructure development initiatives, thrust on digitalization, electrification of rural villages and households and improved consumer spending. Allocation of highest ever capital expenditure of Rs. 1.6 lakh crore for railways by the government is expected to augur well for the Company. Furthermore, formalization of the economy and reduction in price gap with GST implementation will facilitate a shift in business from the unorganized to organised segment, thereby benefitting the Company.

The Company is confident of achieving robust growth. This is driven by its strategic focus on strengthening its distribution reach, amplifying marketing and promotional activities and enhancing operational efficiencies. Moreover, the consumer electrical goods business, coupled with its increasing acceptance, will also gain momentum in the coming years. It constantly strives to widen its reach and create a profitable business with well-managed risks.

Financial Performance

(Rs. in Crores)

Particulars	Standalone	
	2018 -19	2017-18
Income		
Revenue From Operations (Net)	3,077.8	2,884.2
Other Income	121.8	127.4
Total	**3,199.6**	**3,011.6**
Expenditure		
Material Costs	2,264.9	2,103.2
Employee Benefit Expenses	140.7	135.5
Finance Costs	0.9	1.4
Depreciation, Amortization and impairment	40.6	43.8
Other Expenses	220.6	223.2
Total	**2,667.7**	**2,507.1**
Profit Before Tax	**531.9**	**504.5**
Tax Expenses:		
Current Tax	165.7	131.7
Deferred Tax	22.1	14.6
Total Tax	187.8	146.3
Profit After Tax	**344.1**	**358.2**
Total Other Comprehensive Income / (Expense) for the year	**(24.6)**	**13.5**
Total Comprehensive Income for the year	**319.5**	**371.7**

Revenue

Revenue achieved during the current year was Rs. 3,077.8 Crores as against Rs. 2,884.2 Crores in the previous year resulting in a 6.71% year-on-year growth, with growth achieved across all product lines. The details of this growth has been explained elsewhere in this report.

Costs

- **Material Cost:** Material costs during the year stayed higher during the year, the reasons for which have been elaborated elsewhere in this report.
- **Staff Cost:** Employee expenses increased in proportion to inflation as well as on account of new hires.
- **Other Expenses:** Marginally reduced however, spends on advertisements and new product introduction related costs increased during the year.
- Depreciation for the year was lower since some of the assets completed their useful life.
- **Finance Cost:** Your Company is debt free and finance costs during the year pertained to bill discounting and other finance charges.

(Rs. in Crores)

Summary of Statement of Balance Sheet	2018 -19	2017-18
Sources of Fund		
Shareholder's Fund	2,439.7	2,193.9
Non-Current Liability	68.1	42.5
Current Liability	261.2	239.7
Total	**2,769.0**	**2,476.1**
Applications of Fund		
Fixed Assets	414.6	414.2
Investments	1,381.8	1,214.9
Loan & Other Non-Current Assets	48.5	38.1
Current Assets	924.1	808.9
Total	**2,769.0**	**2,476.1**

- **Capital Expenditure and Investments in JV:** During the year, Your Company incurred Rs. 44.3 Crores towards capital expenditure, predominantly towards sustenance of existing capacity, product development activities and Land in Gujarat. Your Company has invested Rs. 18.9 Crores in its Joint Venture.
- **Liquidity:** Your Company continued with the "cash and carry" system of sales for all retail customers during the year. For Institutional & OEM customer the Company continued with credit period mutually agreed as per purchase order contract. Your Company manages its liquidity through rigorous weekly monitoring of cash flows.
- **Profitability:** Your Company's profit before tax improved due to increase in revenue in the financial year 2018-19, and tighter control on operating expenses.
- **Credit Rating:** Presently, your Company's debts have been rated by CRISIL. Details are as follows:

Agency	Long Term Loan	Short Term Loan
CRISIL	AA+/stable	A1+

- During the year, your Company has serviced all its debt obligations on time.
- **Results of Operations:** Your Company registered a net cash inflow of Rs. 154.1 Crores from its operations as compared to Rs. 235.7 Crores generated last year. Profit before tax and exceptional items stood at Rs. 531.9 Crores as against Rs. 504.5 Crores in last year.
- **Taxation:** After reckoning a current and deferred tax liability of Rs. 187.8 Crores, profit after tax for the current year stood Rs. 344.1 Crores which is marginally lower than the previous year's Rs. 358.2 Crores. The tax benefit under Sec 80IC of the Income Tax Act, 1961, for the Company's Roorkee unit ended on 31st March 2018 and hence the tax outgo for the current year was at Maximum Corporate Tax rate.

Cash Flow

(Rs. in Crores)

Particulars	2018 -19	2017-18
Profit from operations before tax	531.9	504.5
(Inc)/Dec in Net working capital	(216.2)	(134.3)
Income tax Paid	(161.6)	(134.5)
Net cash flow from operating activities	154.1	235.7
Cash outflow for investing activities	(110.0)	(134.5)
Cash outflow for Financing activities	(74.5)	(56.8)
Net cash flow / (Outflow)	(30.5)	44.5

Risk Management

Risks are integral to all businesses, and the Company's management works to proactively mitigate and manage the crucial risks. It has a robust risk management framework that facilitates a clear understanding of strategies, policies, initiatives, norms and controls to identify and evaluate risks. The framework ensures that the risk management discipline is initiated centrally by the senior management and progressively decentralized, extending to managers across hierarchies, for effective risk mitigation at the micro level. External advisors are also appointed by the Company for risk identification and formulation of necessary mitigation measures.

While risks related to relative businesses are covered in the 'Business environment for product segments with outlook' section, some other risks associated with the Company include:

Competition Risk

The Company faces intense competition from the increasing number of unorganised players entering the market. Thus, failure to produce and market quality and differentiated products may result in loss of market share.

Mitigation

The Company's robust manufacturing units and backward integration have been instrumental in delivering top quality products at right prices, thereby providing it with a significant competitive edge in its product verticals. Besides, the Company's entry into the electrical products segment has put it an advantageous position for better growth. Rationalisation in GST rates to 18% and the shrinking share of the unorganised players with GST implementation are expected to augur well for the Company.

Raw Material Fluctuation Risk

Inability to effectively tackle the fluctuations in the prices of key raw materials such as copper and aluminium may have a negative impact on the Company's margins and profitability.

Mitigation

The Company mitigates this challenge by passing on the price increases to its customers. Efficient and better equipment sourcing strategy has turned into a huge cost advantage for the Company. Production forecasting based on past and present trends has enabled it to procure raw materials in bulk from its long-term suppliers at optimal prices.

Currency Fluctuation Risk

Since the Company imports raw materials and sells finished goods in the overseas markets, it is vulnerable to exchange rate fluctuations. This, in turn, may adversely impact the Company's performance.

Mitigation

The Company has appropriate foreign exchange hedging policies in place to minimise the impact of currency fluctuations. Moreover, its team monitors the raw material prices on a continued basis and enters into viable long-term agreements.

Internal Controls

The Company has an adequate internal control system commensurate with the nature of its business and the size and complexity of its operations. The internal control system facilitates accuracy and reliability of accounting records, prompt recording and reporting of financial information and safeguarding of assets. The Company ensures stringent compliance with all the applicable Accounting Standards and Policies and adherence to the applicable laws, statutes and procedures through its robust control mechanism. Besides constituting an internal team to monitor these controls, the Company has also appointed an external team to oversee the aspects of the internal controls, including the design and maintainability of systems. These teams conduct audits on a regular basis to ensure the adequacy and efficacy of the internal control system. Reports generated are reviewed by the management for its appropriate action.

The Audit Committee of the Company meets on a quarterly basis to monitor and evaluate the audit reports submitted by the internal audit teams and discusses the relevant actions to be taken with the management. During FY 2018-19, the Audit Committee met 8 times.

Annexure B

Corporate Governance

1. Company's Philosophy On Corporate Governance

The Company's philosophy on Corporate Governance envisages attainment of transparency, accountability and propriety in the total functioning of the Company and in the conduct of its business internally and externally, including its interactions with employees, members, deposit holders, creditors, consumers and institutional and other lenders.

The Company believes that its systems and actions must be dovetailed for enhancing the performance and shareholder value in long term.

The Company has adopted certain practices to achieve good corporate governance; the salient ones being fairness and transparency in dealings, accountability for performance, effective management control by the Board of Directors of the Company (the "Board"), constitution of Board Committees as a part of internal control system, fair representation of professional, qualified, non-executive and independent directors on Board, adequate and timely disclosure of financial and other information and prompt discharge of statutory obligations and duties. The Board has laid down a Code of Conduct for all Board members and senior management of the Company. The Code of Conduct has been hosted on the website (http://www.finolex.com) of the Company.

2. Board Of Directors:

2.1 Constitution of the Board:

The Company believes that a diverse Board will further enhance the quality of the decisions made by the Board by utilizing the different skills, qualifications, professional experience, gender, knowledge, etc. of the members of the Board, necessary for achieving sustainable and balanced development.

The composition of the Board with reference to the number of executive and non-executive directors, amply meets the requirement of Corporate Governance provisions as specified in Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. None of the Directors on the Board are related to each other.

The composition of the Board and category of Directors as on date of this report is as follows:

Category	Name of Directors
Promoter Executive Director	Mr. D. K. Chhabria, Executive Chairman
Non Promoter Executive Director	Mr. Mahesh Viswanathan, Deputy Managing Director and Chief Financial Officer
Independent Directors	Mr. P G Pawar
	Mr. P. R. Rathi
	Mr. Shishir Lall
	Mrs. Shruti D Udeshi, Woman Director
Non Independent Non-Executive Director	Mr. M L Jain

The Independent Directors are all eminent persons having expertise and many years of experience in their respective fields. None of the Independent Directors are related to the promoters and neither do they hold any shares in the Company.

Every Independent Director, at the first meeting of the Board in which he/ she participates as a Director and thereafter at the first meeting of the Board in every financial year, or whenever there is any change in the circumstances which may affect his/her status as an Independent Director gives a declaration that he/ she meets the criteria of independence as provided under the law.

2.2 Meetings and Attendance records:

Board meetings are held at least four times during the year coinciding with the presentation of each quarterly financial results. During the last financial year seven Board Meetings were held i.e. on 25th April, 2018, 28th May, 2018, 9th July, 2018, 14th August, 2018, 14th November, 2018, 5th December, 2018 and 14th February, 2019.

Attendance at meetings of the Board in financial year 2018-19 and at last Annual General Meeting (AGM) held on 25th September 2018, number of other directorship, details of designation/ category and membership/ chairmanship(s) of Board Committees of each Director in other companies as at 31st March 2019 is set out below:

Name of Director	Category / Designation	No of Meetings attended	Whether attended last AGM	No of Directorship(s) as on 31st March 2019			No of Membership (s) of Board Committees as on 31st March 2019	
				Public		Private		
				Listed	Unlisted		As Member	As Chairman
Dr H S Vachha[1]	Non-Executive Independent Director	Nil	No	Nil	Nil	Nil	Nil	Nil
Mr. Sanjay K Asher[2]	Non-Executive Director	2	No	5	2	6	1	5
Mr. P G Pawar[3]	Non-Executive Independent Director	7	Yes	3	1	6	1	3
Mr. Pradeep R Rathi[4]	Non-Executive Independent Director	5	No	3	1	5	3	Nil
Mrs. Namita Thapar[5]	Non-Executive Non independent Director	2	No	-	2	3	Nil	Nil
Mr. Shishir Lall[6]	Non-Executive Independent Director	7	Yes	Nil	Nil	Nil	Nil	Nil
Mr. M L Jain[7]	Non-Executive Non independent Director	2	No	Nil	Nil	1	Nil	Nil
Ms. Poornima Prabhu[2]	Non-Executive Non independent Director	1	No	Nil	Nil	Nil	Nil	Nil
Mrs. Shruti Udeshi[8]	Non-Executive Independent Director	Nil	No	Nil	Nil	Nil	Nil	Nil
Mr. D K Chhabria	Chairman Executive Director	7	Yes	-	-	4	Nil	Nil
Mr. Mahesh Viswanathan	Deputy Managing Director and CFO	7	Yes	Nil	Nil	2	Nil	Nil

Notes:

1 Dr H S Vachha who was not keeping good health since long ceased pursuant to provisions of section 167 (1)(b) of the Companies Act 2013 w.e.f. 14th February 2019

2 Mr. Sanjay K Asher ceased w.e.f 20th April 2019 and Ms. Poornima K Prabhu ceased w.e.f 31st March 2019 upon resignation due to other commitments.

3 Mr. P G Pawar is also an Independent Director on the Boards of Kirloskar Oil Engines Limited, Bharat Forge Limited and Force Motors Limited.

4 Mr. P R Rathi is the Chairman of Sudarshan Chemical Industries Limited and also an Independent Director on the Boards of Sanghvi Movers Limited and Kirloskar Oil Engines Limited.

5 Mrs. Namita V Thapar retired by rotation at conclusion of last Annual General Meeting held on 25th September 2018.

6 Mr. Shishir Lall is not on the Board of any other company.

7 Mr. M L Jain was appointed by the Board as an additional director w.e.f 14th November 2018.

8 Mrs. Shruti D Udeshi was appointed by the Board as a non-executive, Independent Director w.e.f 14th February 2019. Mrs. Udeshi is not on the Board of any other company.

In accordance with the provisions of Regulation 26 (1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. memberships/chairmanships of only the Audit Committee and Share Transfer/ Stakeholders Relationship Committees of all public limited companies whether listed or not have been considered excluding for Section 8 Companies, if any.

2.3 Remuneration to Executive Directors:

Particulars	Mr. D K Chhabria Executive Chairman	Mr. Mahesh Viswanathan Deputy Managing Director & CFO
Salary and Allowances	9,525,000	13,327,140
Contribution to Provident and Superannuation Funds	2,571,750	2,045,250
Other Perquisites	9,525,000	279,600
Commission/Incentive – payable	57,500,000	14,000,000
Total	79,121,750	29,651,990

Notes:

1. There was no scheme of "Employee Stock Options" during the year.
2. The above does not include contributions to group gratuity fund as the contributions/benefits are on group basis.
3. In the case of Mr. D K Chhabria and Mr. Mahesh Viswanathan, the service contracts are for a period of five years from the date of appointment/ reappointment.
   Notice period/severance fees applicable are 180 days for Mr. D.K. Chhabria and 90 days in case of Mr. Mahesh Viswanathan.
4. Performance is evaluated by the Nomination and Remuneration Committee, which, inter alia, considers and recommends payment of commission/incentive based on the performance of the Company and contemporary practices in the industry. The recommendations of the Committee are further considered by the Board and a collective decision taken without participation of interested Directors.

2.4 Remuneration to Non-Executive Directors:

Non-Executive Directors are entitled to sitting fees for attending each meeting of the Board or any Committee(s) of the Board and profit related commission. The details of payment of sitting fees and commission to Non-Executive Directors for the financial year 2018-19 are set out below:

Name of Non-Executive Director	Sitting Fees (Rs.)	Commission Payable (Rs.)	Total (Rs.)	Shareholding (in Nos. of shares) of Non-Executive Directors in the Company	Remarks
Dr. H S Vachha *	-	-	-	-	
Mr. Sanjay K Asher **	80,000	400,000	480,000	12,395	Joint holder
Mr. P G Pawar	515,000	2,400,000	2,915,000	-	
Mr. P R Rathi	420,000	1,000,000	1,420,000	-	
Mrs. Namita V Thapar$	75,000	400,000	475,000	-	
Mr. Shishir Lall	430,000	1,900,000	2,330,000	-	
Mr. M L Jain #	105,000	400,000	505,000	2,000	
Ms. Poornima K Prabhu**	30,000	200,000	230,000	-	
Mrs. Shruti Udeshi@	-	-	-	-	
Total	**1,655,000**	**6,700,000**	**8,355,000**		

Notes:

* Dr H S Vachha who was not keeping good health since long ceased pursuant to provisions of section 167 (1)(b) of the Companies Act 2013 w.e.f. 14th February 2019.

** Mr. Sanjay K Asher ceased w.e.f. 20th April 2019 and Ms. Poornima K Prabhu ceased w.e.f. 31st March 2019 upon resignation due to other commitments.

$ Mrs. Namita V Thapar retired by rotation at conclusion of last Annual General Meeting held on 25th September 2018.

Mr. M L Jain was appointed by the Board as an additional Director w.e.f. 14th November 2018.

@ Mrs. Shruti Udeshi was appointed by the Board as a non-executive Independent Director w.e.f. 14th February 2019.

a) Sitting fees paid to each non-executive Director was uniform for attending each Board Meeting @Rs.30,000/-, Audit Committee Meetings @ Rs.20,000/- and for all other Committee meetings @Rs.15,000/-. The sitting fees were approved by the Board of Directors at its meeting held on 3rd November, 2015.

b) Commission as may be decided by the Board but not exceeding one percent of the net profits of the Company as per the provisions of Section 197 of the Companies Act, 2013 or Rupees Two Crore, whichever is less, which is the ceiling limit approved in this regard by the members at the Annual General Meeting held on 25th September, 2018 is payable to non-executive Directors for a period of Five years from the accounting year commencing from 1st April 2018. The said commission, as may be determined by the Board each financial year, is payable to non-executive Directors. Such commission is divisible amongst such Directors in such proportion as the Nomination and Remuneration Committee may recommend and be approved by the Board.

2.5 Information placed before the Board:

In terms of quality and importance, the information supplied by Management to the Board of the Company includes the information as per the list mandated under Regulation 17 (7) read with Para A of Schedule II to the SEBI (LODR) Regulations, 2015. In advance of each meeting, the agenda and notes on agenda in specific format is circulated to all Board members. The Board is presented with all relevant information on various matters covering Finance, Sales, Marketing, the Company's major business segments and their operations, material legal cases, overview of business operations including business opportunities and strategy and risk management practices of the Company.

The Company Secretary records minutes of proceedings of each Board and Committee meeting including therein the material comments and suggestions, made by the Directors. Draft minutes are circulated to Board/ Committee members for their comments followed thereafter by the final minutes within the time as prescribed under Secretarial Standard-1. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.

2.6 Familiarisation Programmes:

Pursuant to section 177 (9) of the Companies Act, 2013 and regulation 25 (7) of the SEBI (LODR) Regulations, 2015 the Company holds familiarization programs and plant visit especially for the new Directors whether independent or otherwise on an ongoing and continuous basis.

Periodic presentations are made at the Board and Committee meetings on business and performance updates of the Company, business environment, business strategy and risks involved. Updates on relevant statutory, regulatory changes and landmark judicial pronouncements encompassing important laws are included in the agenda of the Board meetings and even circulated to the Directors. The details of such familiarisation programmes for Independent Directors are put up on the Company's website and can be accessed at www.finolex.com.

2.7 Independent Directors:

On the basis of the written declarations received from the Independent Directors of the Company as on the date of this report and pursuant to the recommendations of the Nomination and Remuneration Committee in this regard the Board confirms that nothing has come to the attention of the Board that, any of the Independent Directors do not fulfill the conditions specified in the Companies Act, 2013 (the "Act") and in SEBI (LODR) Regulations, 2015 as amended ("Listing Regulations") and therefore in the opinion of the Board the Independent Directors do fulfill the requisite criteria of independence given in the Act and in the Listing Regulations. All such Directors are independent of the management.

During the year 2018-19, following independent Directors ceased to be independent director of the Company:

- Dr. H.S. Vachha, who was not keeping good health since long ceased w.e.f 14th February, 2019 pursuant to section 167 (1) (b) of The Companies Act, 2013.

- Mr. Sanjay Asher resigned vide his letter 12th April 2019 which was received by the Company on 20th April 2019 and the same was immediately informed to the stock exchanges and requisite form filed with the ROC, Pune.

2.8 Matrix setting out the skills/expertise/ competence of the Board of Directors:

The Board shall endeavor to implement and maintain a skills matrix setting out the mix of skills and diversity that the Board currently has and/ or aims to achieve in the context of its business operations and diversification strategies including in newer product segments.

The list of core skills/ expertise / competencies identified by the Board of Directors as required in the context of Company's business and sectors for it to function effectively and those actually available with the Board are as under:

Skills/expertise/ competencies	Description
Strategic Management	Ability to think strategically; identify and critically assesses strategic opportunities and threats. Develop effective strategies in the context of the business situation and strategic objectives of the Company relevant policies and priorities
Strategic Marketing	Knowledge of and experience in marketing services, experience in, or a thorough understanding of, the prevailing business situations communication with industry groups and/or end users through a range of relevant communication channels and media.
Finance & Accounting	Qualifications and experience in accounting, finance including treasury management and investment scenario the ability to: • Analyse key financial statements; • Critically assess financial viability and performance; • Contribute to strategic financial planning; • Oversee budgets and the efficient use of resources;
Industry Experience	A broad range of commercial/business experience, preferably in the medium to large enterprise context, in areas including communications, marketing, branding and business systems, practices and improvement. Experience in managing government relations and industry advocacy strategies.
Corporate Governance	Expertise to ensure compliance with legislative and regulatory requirements, including transparency requirements under SEBI regulations and the listing rules of the stock exchanges.
Information Technology	Qualification and experience in IT and/or Digital industries with ability to apply new technology to the business interests of the Company strengthening controls and operational efficiencies by IT.
Human Resource Management	Qualification and experience in human resource management with an understanding of: • Manufacturing cycle of business • Expertise in labour laws and industrial relations • ability to effectively engage and retain skilled manpower
Risk Management	Ability to identify key risks to the Company in a wide range of areas including business/ product segments, political scenario and legal and regulatory compliance.

3. Audit Committee

Constitution and Composition:

The Audit Committee which was formed in February 1997 and subsequently reconstituted by the Board from time to time and lastly at its meeting held on 14th August, 2018.

Composition of the Audit Committee of members as on the date of this report is as under:

Name of Director	Category
Mr. P G Pawar	Independent Director (Chairman)
Mr. P R Rathi	Independent Director
Mr. Shishir Lall	Independent Director
Mr. Mahesh Viswanathan	Executive Director

Mr. R. G. D'Silva, Company Secretary & President (Legal) acts as the Secretary to the Committee.

Terms of reference:

The Audit Committee acts as a link between the management, external and internal auditors and the Board. The Audit Committee overseas the financial reporting process of the Company and provides direction to the Audit function besides monitoring the scope and quality of internal and statutory audit.

A. The role of the Audit Committee shall include the following:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
   - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause(c) of sub-section (3) of Section134 of the Companies Act, 2013;
   - Changes, if any, in accounting policies and practices and reasons for the same;
   - Major accounting entries involving estimates based on the exercise of judgment by management;
   - Significant adjustments made in the financial statements arising out of audit findings; if any
   - Compliance with listing and other legal requirements relating to financial statements;
   - Disclosure of any related party transactions;
   - Modified opinion(s) in the draft audit report;

5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

8. Approval or any subsequent modification of transactions of the listed entity with related parties;

9. Scrutiny of inter-corporate loans and investments; if any

10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;

11. Evaluation of internal financial controls and risk management systems;

12. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;

13. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. Discussion with internal auditors of any significant findings and follow up thereon;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. To review the functioning of the whistle blower mechanism;

19. Approval of appointment of chief financial officer after assessing the qualifications,

experience and background, etc. of the candidate;

20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

21. The Audit Committee oversees and reviews the Reports as may be submitted from time to time by the Compliance Officer under the provisions of SEBI (Prohibition of Insider Trading) Regulation, 2015

B. The Audit Committee shall mandatorily review the following information:

1) management discussion and analysis of financial condition and results of operations;

2) statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

3) management letters/letters of internal control weaknesses issued by the statutory auditors;

4) internal audit reports relating to internal control weaknesses;

5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and

6) Statement of deviations:

(a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

(b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Meetings and Attendance:

The Audit Committee has met eight times during the financial year ending 31st March 2019, as against the minimum requirement of four meetings i.e., 11th May, 2018, 28th May, 2018, 14th August, 2018, 25th September, 2018, 14th November, 2018, 5th December, 2018, 14th February, 2019 and 20th March, 2019. The necessary quorum was present for each of the meetings of the Committee. The following table sets out the attendance of Audit Committee members:

Sr. No.	Name of the Director	Status	Category	No. of meetings attended
1	Mr. P G Pawar	Chairman	Independent	7 out of 8
2	Dr. H S Vachha*	Member	Independent	0 out of 6
3	Mr. Sanjay K Asher**	Member	Non-executive	1 out of 3
4	Mr. P R Rathi	Member	Independent	6 out of 8
5	Mr. Shishir Lall	Member	Independent	8 out of 8
6	Mr.Mahesh Viswanathan**	Member	Executive	5 out of 5

* Dr H S Vachha who was not keeping good health since long ceased w,e,f, 14th February 2019 pursuant to the provisions of section 167 (1) (b) of the Companies Act, 2013.

** The Audit Committee was reconstituted in the Board Meeting dated 14th August 2018 whereby Mr. Sanjay K Asher ceased to be a member of the Committee w.e.f 25th September 2018 and Mr. Mahesh Viswanathan Deputy Managing Director & CFO was added as a member of the Committee w.e.f 25th September 2018

The Company has an internal audit department which carries out internal audit as per the annual plan approved. The internal audit report and action taken on audit recommendations/ suggestions are regularly reviewed by the Audit Committee. In addition, the Company has appointed M/s. Ernst & Young LLP a leading firm of Chartered Accountants, as external internal auditor for carrying out specialized internal audit as per the detailed programme approved for strengthening the financial controls and checks and balances built into the SAP system of the Company.

The concerned partners/representatives of the Statutory Auditors, Cost Auditors, Internal Auditors and the Executive Directors / functional heads / executives of Finance, Accounts, Secretarial, Systems departments of the Company attend Audit Committee Meetings. The Statutory Auditors attended all eight meetings of the Audit Committee held in financial year ending 31st March 2019. The Cost Auditors generally attend the meetings when matters concerning Cost Audit are dealt with by the Audit Committee and they attended three meetings of the Audit Committee in financial year ending 31st March 2019.

The date of the meeting of the Committee held for considering finalization of accounts for the year ending 31st March, 2019 was 29th May, 2019.

The due date for filing of Cost Audit Report for the financial year ending 31st March 2018 in XBRL format was 30th September, 2018 and the Company has filed the same within the prescribed date.

4. Nomination and Remuneration Committee:

In view of the importance given by the Company to good corporate governance a Remuneration Committee was constituted by the Board at its meeting held on 21st October, 2000 and reconstituted by the Board from time to time and lastly at its meeting held on 14th November 2018.

Composition of the Nomination and Remuneration Committee of members for 2018-19 as under:

Name of Director	Category
Mr. P G Pawar	Independent Director (Chairman)
Mr. Shishir Lall	Independent Director
Mr. M L Jain	Non-Executive, Non-Independent Director

Mr. R. G. D'Silva, Company Secretary & President (Legal) acts as the Secretary to the Committee.

The Nomination and Remuneration Policy of the Company is placed on Company's website at https://finolex.com/wp-content/uploads/2017/04/Nomination-and-Remuneration-Policy.pdf

Meetings and Attendance:

The Nomination and Remuneration Committee has met four times during the financial year ending 31st March 2019 i.e. on 28th May 2018, 9th July, 2018, 5th December, 2018 and 14th February 2019. The following table sets out the attendance of Audit Committee members:

Sr. No.	Name of the Director	Status	Category	No. of meetings attended
1	Mr. P G Pawar	Chairman	Independent	4 out of 4
2	Mrs. Namita Thapar*	Member	Non-Executive	1 out of 2
3	Mr. Shishir Lall	Member	Independent	4 out of 4
4	Mr. M L Jain**	Member	Non-Executive	2 out of 2

* Mrs. Namita Thapar who retired by rotation at last Annual General Meeting held on 25th September 2019 thereby also ceased to be a member of the Committee.

** Mr. M L Jain was appointed as a member of the Committee w.e.f. 14th November, 2018.

Terms of reference

The Nomination and Remuneration Committee has been set up to determine on behalf of the Board and on behalf of the members with agreed terms of reference, the Company's policy on specific remuneration packages for Executive Directors including pension rights, any compensation payment and recommendation in respect of commission, if any, payable to non-executive Directors.

The role of the Nomination and Remuneration Committee includes the following:

a) To identify any persons who are qualified to become Directors and who may be appointed in senior management in accordance with criteria laid down.

b) To recommend to the Board their appointment and removal.

c) To carry out evaluation of every Director's performance.

d) To formulate the criteria for determining qualifications, positive attributes and independence of a Director.

e) To recommend to the Board a Remuneration Policy relating to the remuneration in whatever form for Directors, key managerial personnel and senior management and also device a policy on Board diversity.

f) While formulating the Remuneration Policy the Committee shall ensure that: -

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks, and

- Remuneration to Directors, key managerial personnel, senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

g) Recommend to the Board to extend or continue the term of appointment of Independent Director, on the basis of the report of performance evaluation of Independent Director

h) Approve/decide any matters/issues incidental/ necessary or connected with the aforesaid premises

The criterion for evaluation of Independent Directors includes the following;

a) Whether he upholds ethical standards of integrity and probity;

b) Whether he exercises his duties with due reasonable care, skill, diligence and acts objectively and constructively while exercising his duties;

c) Whether he acts in a bona fide manner in the interests of the Company;

d) Whether he allows or does not allow any extraneous considerations to influence or vitiate his exercise of objective independent judgment in the paramount interest of the Company;

e) Whether he refrains from any action that would lead to loss of his independence;

f) Whether he assists the Company in implementing best corporate governance practices;

g) The degree of commitment to his responsibilities as an Independent Director;

h) Degree of participation in Board or Committee discussions and contribution to the decision making process;

i) Familiarity with the business model of the Company;

j) Taking initiative on matters of common interest of the Company; and

k) Keeping abreast of the latest developments in corporate governance and regulations applicable to the Company.

5. Share Transfer-Cum-Stakeholders Relationship Committee:

Constitution and Composition:

Composition of the Share Transfer- Cum- Stakeholders Relationship Committee of members is as under:

Name of Director	Category
Mr. P G Pawar	Independent Director (Chairman)
Mr. P R Rathi	Independent Director
Mr. D K Chhabria	Executive Director
Mr. Mahesh Viswanathan	Executive Director

Mr. R. G. D'Silva, Company Secretary & President (Legal) acts as the Secretary to the Committee.

Terms of reference

The Committee in addition to considering matters of share transfers oversees redressal of shareholders' and investors' complaints/grievances and recommends measures to improve the level of investor services. The role of the Share Transfer-cum-Stakeholders Relationship Committee includes the following:

a) To resolve the grievances of security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of balance sheet, non-receipt of declared dividends, etc.

b) Review of measures taken for effective exercise of voting rights by shareholders

c) Review adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

d) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company.

e) To attend to transfer of securities formalities at least once in a fortnight, as may be required.

f) To redress security holders complaints/grievances and recommend measures to improve the level of investors/stakeholders' services.

g) To approve/decide any matters/issues incidental/ necessary or connected with the aforesaid premises.

Meetings and Attendance:

The Committee meets as and when required, depending on the receipt of requests for share transfers, etc. from members / investors and there were seven meetings held during the year. The following table sets out the attendance of Share Transfer-cum-Stakeholders Relationship Committee members:

Sr. No.	Name of the Director	Status	Category / Designation	No. of meetings attended
1	Mr. P G Pawar	Chairman	Independent	6 out of 7
2	Mr. Sanjay K Asher*	Member	Non-Executive	0 out of 2
3	Mr. P R Rathi	Member	Independent	7 out of 7
4	Mr. D K Chhabria	Member	Executive Chairman	7 out of 7
5	Mr. Mahesh Viswanathan	Member	Deputy Managing Director & CFO	6 out of 7

* Mr. Sanjay K Asher ceased to be member of the Committee w.e.f. 25th September, 2018.

Investor's complaints attended and resolved during 2018-2019:

Six Complaints were received from investors during the year which were duly replied by the Company. No complaint was outstanding as on 31st March 2019.

Compliance Officer:

Mrs. Gayatri Kulkarni, a qualified Company Secretary has been appointed w.e.f. 1st October 2018 as Compliance Officer of the Company pursuant to Regulation 6 of SEBI (Listing Obligations and Disclosure Requirements), 2015.

Nodal Officer:

The Board has appointed Mr. Mahesh Viswanathan, Deputy Managing Director and Chief Financial Officer as the Nodal Officer for IEPF requirements.

6. Corporate Social Responsibility Committee

Constitution and Composition

The composition of the Corporate Social Responsibility Committee ("CSR Committee"), its terms of reference and activities are in line with the requirements of the Companies Act, 2013 (the "Act") read with the applicable Rules of Companies (Corporate Social Responsibility Policy) Rules,2014.

Composition of the CSR Committee is as under:

Name of Director	Category
Mr. P R Rathi	Independent Director (Chairman)
Mr. D K Chhabria	Executive Director
Mr. Mahesh Viswanathan	Executive Director

Mr. R. G. D'Silva, Company Secretary & President (Legal) acts as the Secretary to the Committee.

Terms of reference:

The terms of reference of the CSR Committee are as follows:

a) Formulate and recommend to the Board, CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act read with applicable Rules and guidelines framed under the Act.

b) Recommend the amount of expenditure to be incurred on CSR activities.

c) Monitor the CSR Policy of the Company from time to time by instituting a transparent monitoring mechanism for implementing CSR Projects.

d) Ensure that the Company's CSR policy and activities are in due compliance with the provisions of the Companies Act, 2013 and Rules framed thereunder, Memorandum of Association and Articles of Association of the Company and all other laws, regulations and guidelines as may be or become applicable in this regard;

e) Approve/decide any other matters/issues incidental/ necessary or connected with the aforesaid premises and to settle all questions, difficulties or doubts that may arise in relation to the implementation of the CSR Policy and/or activities of the Company;

f) Meet from time to time for purpose of considering the aforesaid matters, forward the Committee's recommendations on CSR activities for due consideration of the Board and cause the tabling of the minutes thereof at the next meeting of the Board, and

g) Review and comply with the requirements of the provisions of the Act, Companies (Corporate Social Responsibility Policy) Rules, 2014 and periodical disclosure requirements.

The CSR Committee has formulated a Corporate Social Responsibility Policy ("CSR Policy") which has been approved by the Board. The CSR Policy has been placed on the website of the Company http://www.finolex.com.

Meetings and Attendance

The CSR Committee has met three times in the financial year i.e. 14th August 2018, 14th November 2018 and 14th February 2019. All the Committee Members attended each of the said meetings.

7. Risk Management Committee

Constitution and Composition

Name of Director	Category
Mr. P G Pawar	Independent Director (Chairman)
Mr. M L Jain	Non-Executive Director
Mr. D K Chhabria	Executive Director
Mr. Mahesh Viswanathan	Executive Director

Mr. R. G. D'Silva, Company Secretary & President (Legal) acts as the Secretary to the Committee.

The constitution of the Committee meets the requirements of the Companies Act, 2013 and of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Terms of reference:

The Role and responsibilities of the Committee includes the following:

a) The Committee has a primary responsibility and accountability to the Board to use its best efforts to ensure that the Company's risk management framework is properly managed and improved on a regular basis so as to protect the Company's interests and enhance its risk mitigating effort to meet its risk management objectives;

b) The Committee shall consider matters relating to the identification, assessment, monitoring and management of risks associated with the operations of the Company. The Committee shall also examine any other matters referred to it by the Board and/or the Executive Chairman of the Company;

c) The Committee has oversight of the development and implementation of internal control systems and procedures to manage risks;

d) The Committee to assess and monitor the effectiveness of controls instituted;

e) Review and making of recommendations to the Board in relation to risk management, overall current and future risk appetite and risk management strategy suitable for the Company;

f) Oversight of implementation of risk management strategy by the Senior Management/Functional Heads or Heads of Department of the Company and their performance in this regard;

g) Review and constructive analysis of the proposals and decisions on all aspects of risk management arising from the Company's operations;

h) Assessing and reporting to the Board on any material changes to the risk profile of the Company;

i) Reporting to the Board in connection with the Company's annual risk management reporting responsibilities to be given in the Board's Report attached to the financial statement of the Company in the format prescribed, if any, and

j) Monitoring the risks associated with all material outsourcing arrangements, if any, by the Company.

k) Review of policies, processes, and control measures, designed to protect information and systems from security events that could compromise the achievement of the entity's cyber security objectives and to detect, respond to, mitigate, and recover from, on a timely basis, security events that were not prevented.

Meetings and Attendance

The Committee has met once during the financial year ending 31st March 2019 on 14th February, 2019 and all the members of the Committee attended the said meeting.

The Management Discussion and Analysis Report provide information on the principle risks faced by the Company and the strategies, procedures and efforts to contain/ mitigate risks.

Evaluation of risks faced in the business of the Company, assessment of issues, the strategy and measures to be undertaken to mitigate risks to the extent possible, is a continuous ongoing process and these aspects are periodically examined by the Committee/ the Board as part of the risk management strategy of the Company.

8. General Body Meetings

Information on general body meetings and details of special resolutions passed

During the preceding three years, the Annual General Meeting (AGM) of the Company were held at Auto Cluster Development and Research Institute, H Block, Plot C-181, Near D' Mart, Chinchwad, Pune - 411 019 on the following dates and time when special resolutions were passed thereat, as under:

Details of AGM	Date and time of AGM	Details of special resolution(s) passed at the AGM, if any
48th AGM	8th September 2016 at 11.30 am	a) Offer or invitation for subscription of Redeemable Non – Convertible Debentures on private placement (enabling resolution – not implemented due to prevailing interest rates.)
		b) Approval for related party transaction with Corning Finolex Fibre Private Limited
49th AGM	28th September 2017 at 11.30 am	a) Approval for payment of remuneration to Directors in addition to sitting fees by way of commission
		b) Offer or invitation for subscription of Redeemable Non – Convertible Debentures on private placement (enabling resolution – not implemented due to prevailing interest rates)
		c) Approval for related party transaction with Corning Finolex Fibre Private Limited
50th AGM	25th September 2018 at 11.30 am	a) Offer or invitation for subscription of Redeemable Non – Convertible Debentures on private placement (enabling resolution – not implemented due to prevailing interest rates)
		b) Approval for related party transaction with Corning Finolex Fibre Private Limited

No special resolution was passed through postal ballot last year and no such resolution is proposed to be passed by postal ballot this year.

9. Independent Directors' Meeting:

Section 149(8) of the Companies Act, 2013 has prescribed the Code for Independent Directors in Schedule IV for every company that has Independent Directors. Clause VII of this Schedule requires every company to convene a separate meeting of the Independent Directors.

During the calendar year, the Independent Directors met on 28th May, 2018, to:

- Review the performance of non-independent directors and the Board as a whole;
- Review of performance of the Chairman talking into account the views of Executive Director and non-executive directors; and
- Assess quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors were present at the meeting except for Dr. H S Vachha, who was not keeping good health since long, Mr. Sanjay Asher and Mr. P R Rathi who had expressed their inability to attend the said meeting.

10. Disclosures

a) Disclosures regarding materially significant related party transactions: For details please refer Note No. 35 of Notes forming part of the Accounts.

b) There were no instances of non-compliance or penalty, strictures imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authority on any matter related to capital markets, during the last three financial years.

c) The Company has complied with the requirements of corporate governance including establishment of vigil mechanism, whistle blower policy, etc. under SEBI ((Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

d) The Company does not have any subsidiary at present and accordingly there is no policy for determining material subsidiaries.

e) The policy on dealing with related party transactions is available on Company's website: www.finolex.com

f) Disclosure of commodity price risks and commodity hedging activities, if any, is given in Management Discussion and Analysis Report (Ref. Annexure A to Directors Report)

g) Disclosure with respect to demat suspense account/ unclaimed suspense account:

At present, there are no such shares in the demat suspense account or unclaimed suspense account and accordingly there are no disclosures to be made in this regard for the financial year ended 31st March, 2019.

h) The certificate from practicing Company Secretary affirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is duly obtained by the Company, copy of which is attached with this Report as **Annexure I.**

i) Details of total fees paid for all services on consolidated basis, to the statutory auditor and all entities in the network firm/ network entities of which the statutory auditor is part: For details please refer Note No. 31 of Notes forming part of the Accounts.

j) The Company had duly informed the Stock Exchanges that the Company does not fall under the criteria of "Large Entity" as per the applicability criteria given under the SEBI circular no. SEBI/HO/DDHS/CIR/P/2018/144 dated 26th November 2018, copy of which is attached with this Report as **Annexure II.**

11. Means of Communications:

a) The quarterly results of the Company are published in leading newspapers viz, normally Hindu Business Line (all editions) and Lokmat (Pune edition) and also displayed on the corporate website (http://www.finolex.com). The same are also available on the websites of National Stock Exchange of India Limited (NSE) and BSE Limited (formerly Bombay Stock Exchange) pursuant to the filing made by the Company on the said stock exchanges. Official news / media releases, blank forms / formats for convenience of members and other information of the Company are uploaded on its said website and where relevant are also informed to the stock exchanges for taking the same on record. The management provides detailed analysis of Company's operations in the Directors' Report and Management Discussion and Analysis section, which forms a part of the Annual Report.

b) National Stock Exchange of India Limited (NSE) Electronic Application Processing System (NEAPS): NEAPS is a web based application designed by NSE and BSE Limited (formerly Bombay Stock Exchange Limited) – Listing Centre for corporates. In addition to being uploaded on the Company's corporate website the Shareholding Pattern and Corporate Governance Report are also filed electronically on NEAPS on a quarterly basis for information of stakeholders.

c) Securities and Exchange Board of India (SEBI) Complaints Redressal System (SCORES): Investor complaints are processed in centralized web based complaints redressal system, which provides for centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its status.

d) Investor Services Email ID: The Company has designated a dedicated Email ID namely investors@finolex.com exclusively for investor servicing.

12. General Shareholder Information:

The Annual report includes financial statements, key financial data and detailed information in the Management Discussion and Analysis Report and the Shareholders' information section of Corporate Governance Report (Reference Annexure A to the Directors' Report.)

13. Code of Conduct:

The Board had laid down a Code of Conduct for all Board members and senior management of the Company. The Code of Conduct anchors ethical and legal behavior within the Company. In accordance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board members and senior management personnel have affirmed compliance with the Code of Conduct of the Company in the year under review.

The Company also has in place a "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information", in accordance with amended SEBI (Prohibition of Insider Trading) Regulations, 2015 which is effective from 1stApril, 2019. The same has been hosted on the website (http://www.finolex.com) of the Company.

Declaration:

The Board members and senior management personnel have affirmed compliance with the Code of Conduct of the Company in the year under report.

For and on behalf of the Board of Directors

Pune
Dated: 29th May, 2019

D.K. Chhabria
Executive Chairman

Certificate of Non-Disqualification of Directors

(pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Finolex Cables Limited
26/27, Bombay Poona Road,
Pimpri, Pune – 411 018

Dear Sir,

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Finolex Cables Limited having CIN L31300MH1967PLC016531 and having registered office at 26/27, Bombay Poona Road, Pimpri, Pune – 411 018 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below at the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No	Name of Directors	DIN	Date of appointment as Director in the Company
1.	Deepak Chhabria Kisandas	01403799	13/02/1992
2.	Mahesh Viswanathan	02780987	01/11/2010
3.	Pratap Govind Pawar	00018985	09/09/1998
4.	Pradeep Ramwilas Rathi	00018577	10/05/2007
5.	Shishir Lall	00078316	30/05/2017
6.	Mohan Lal Jain	00148677	14/11/2018
7.	Shruti Deepen Udeshi	06900182	14/02/2019

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Jog Limaye & Associates**
Company Secretaries

Kanchan Limaye
Partner
Membership No. : F9555
CP No. : 17326

Place: Pune
Date: 24.05.2019

FCL:SEC:SE: 2019:107
25th April, 2019

Bombay Stock Exchange Limited
National Stock Exchange of India Limited
Luxembourg Stock Exchange

Subject: Fund raising by issuance of Debt Securities by Large Entities

Dear Sirs,

We refer to SEBI circular No. SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018. Please take on record our details as under:

Sr. No	Particulars	Details
1	Name of the Company	Finolex Cables Limited
2	CIN	L31300MH1967PLC016531
3	Outstanding borrowing of Company as on 31st March, 2019 (in Rs cr)	Nil
4	Highest Credit Rating During the previous FY 2018-19 along with name of the Credit Rating Agency	AA+/ Stable CRISIL
5	Name of Stock Exchange# in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	NA

In the circumstances, we confirm that we are not a Large Corporate as per the applicability criteria given under the SEBI circular No. SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018.

(Signature)
R G D'Silva
Company Secretary
& Legal President
Dsilva_RG@finolex.com

(Signature)
Mahesh Viswanathan
Deputy Managing Director
& CFO
mahesh_viswanathan@finolex.com

Annexure C

Certificate of Compliance

To,
The Members of
Finolex Cables Limited
26/27, Bombay Poona Road,
Pimpri, Pune – 411 018

We have examined the compliance of conditions of corporate governance by Finolex Cables Limited (hereinafter referred to as "the Company"), for the year ended on 31st March, 2019 as stipulated in relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosures requirements) Regulations, 2015, as amended ("Listing Regulations").

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Regulations, as applicable.

We further state that such compliance is neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Jog Limaye & Associates**
Company Secretaries

Kanchan Limaye
Partner
Membership No. : F9555
CP No. : 17326

Place: Pune
Date: 24.05.2019

Annexure D

Secretarial Compliance Report

To
Finolex Cables Limited
26/27, Bombay Poona Road,
Pimpri, Pune – 411 018

We have examined:

a) all the documents and records made available to us and explanation provided by Finolex Cables Limited ("the listed entity"),

b) the filings/ submissions made by the listed entity to the stock exchanges,

c) website of the listed entity,

d) any other document/ filing, as may be relevant and made available to us, which has been relied upon to make this certification, for the year ended 31st March, 2019 ("Reporting period") in respect of compliance with the provisions of:

(a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

(b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific regulations, wherever applicable, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

i. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

ii. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018 *(not applicable during reporting period)*

iii. Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018; *(not applicable during reporting period)*

iv. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

v. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 *(not applicable during reporting period)*;

vi. Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013 *(not applicable during reporting period)*;

vii. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

viii. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable during reporting period); and

Circular D&CC/FITTC/CIR-16/2002 dated 31st December, 2002 and CIR/MRD/DP/30/2010 dated 6th September, 2010 issued under SEBI (Depositories and Participants) Regulations, 2018

and based on information provided by the management of the Company and on the above examination, we hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder,

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.

(c) There were no actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder in so far as it appears from my examination of those records.

(d) The listed entity has taken the following actions to comply with the observations made in previous reports: Not Applicable

For **Jog Limaye & Associates**
Company Secretaries

Kanchan Limaye
Partner
Membership No. : F9555
CP No. : 17326

Place: Pune
Date: 24.05.2019

Form No. MR-3
Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members of
Finolex Cables Limited
26/27, Bombay Poona Road,
Pimpri, Pune – 411 018

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Finolex Cables Limited (hereinafter referred to as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

(i) The Companies Act, 2013 (the Act) amended from time to time and the rules, notifications and circulars issued thereunder (in so far as they become applicable);

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent applicable;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; ***Not Applicable to the Company during the audit period***

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; ***Not Applicable to the Company during the audit period***

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; ***Not Applicable to the Company during the audit period***

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; ***Not Applicable to the Company during the audit period***

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and ***Not Applicable to the Company during the audit period***

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; ***Not Applicable to the Company during the audit period***

(vi) The other laws, as informed and certified by the Management of the Company which may become specifically applicable to the Company based on sector/ industry are:

a. The Employee State Insurance Act, 1948;

b. Employees Provident Fund and Miscellaneous Provisions Act, 1952;

c. Employers Liability Act, 1938;

d. Environment Protection Act, 1986 and other environmental Laws;

e. Air (Prevention and Control of Pollution) Act, 1981;

f. Factories Act, 1948;

g. Industrial Dispute Act, 1947;

h. Payment of Wages Act, 1936 and other applicable labour laws.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by 'The Institute of Company Secretaries of India'; and

(ii) The Listing Agreements entered into by the Company with Stock Exchange(s), pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that
The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

As informed, adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period-

At the Annual general meeting of the Company held on 25th September, 2018, the Company passed ordinary resolutions for adoption of accounts, declaration of dividend, ratification of auditor's appointment, ratify remuneration payable to cost accountants and special resolutions for offer & invite subscription of debt securities, payment of commission to non-whole time directors and approval of related party transaction. The said resolutions were passed with requisite majority.

On the same day, the following resolutions were passed also as ordinary resolutions -

1. To appoint a Director in place of Mr. Mahesh Viswanathan [DIN: 02780987], who retires by rotation, and being eligible, offers himself for reappointment.

2. Re-appointment of Mr. D. K. Chhabria [DIN: 01403799] as a whole time Director of the Company designated as "Executive Chairman" or at any other designation such that he will be the Chief Executive Officer of the Company under the legislation applicable from time to time, for a period of five years with effect from 1st July, 2018 to 30th June, 2023 upon terms and conditions including remuneration to be paid in case of absence or inadequacy of profits.

3. Re-appointment of Mr. Mahesh Viswanathan [DIN: 02780987] as a whole time Director of the Company designated as "Deputy Managing Director & Chief Financial Officer" for a period of five years with effect from 1st July, 2018 to 30th June, 2023 upon terms and conditions including remuneration to be paid in case of absence or inadequacy of profits.

However, as per the information provided to the stock exchanges by the Company, with respect to above three resolutions, there is a substantial difference between report given by Mr. S. V. Deulkar, Partner, SVD & Associates, Company Secretaries, appointed as Scrutinizer for e-voting process and Insta-Poll and the information provided by Karvy Computershare Private Limited, the Registrar and Transfer Agent of the Company ("Karvy"). The report of the Scrutinizer states that it is based on Karvy's electronic voting data, but in fact differs from Karvy's actual voting data, without giving any reason for why this is so. According to the Scrutinizer's report dated 26th September, 2018, the above mentioned resolutions were therefore shown as defeated.

The Company has submitted a clarification letter along with the Scrutinizer's report to the Stock Exchanges stating that "The Scrutinizer has stated that his report is based on the reports generated from the Electronic Voting System provided by Karvy Computershare Private Limited and the report of the Insta Poll at the meeting also provided by Karvy.

The Company finds, on perusing the Electronic Voting Data and results of Karvy, that the voting results as per the scrutinizer's report are contrary and at a significant variance with the actual voting data as captured by Karvy.

In circumstances mentioned above, the Company is required to disregard the scrutinizer's report which, though stating that it is based on Karvy's electronic voting data, in fact significantly differs from Karvy's actual voting data, without giving any reason for why this is so."

Legal advice was obtained on the issue, which specifically states that-

"E-votes casted have to be counted as they were actually cast, irrespective of any challenge to the same, as such challenges are to be examined by the appropriate legal forum and not by the scrutinizer and there does not appear to be any dispute about their eligibility to vote at the AGM.

While declaring the result of voting at the AGM, including e-voting, under the provisions of Rule 20 & 21 of the Companies (Management and Administration) Rules, 2014, the declaration of the result will have to be made with a specific observation- "the result is declared subject to the orders to be passed by the Hon'ble High Court of Bombay in respective appeals."

The proceedings are pending in the Courts in relation to the votes casted by Orbit Electricals Private Limited and Finolex Industries Limited.

For **Jog Limaye & Associates**
Company Secretaries

Kanchan Limaye
Partner
Membership No. : F9555
CP No. : 17326

Place: Pune
Date: 24th May, 2019

Note- this report is to be read with letter of even date by the Secretarial Auditors, which is annexed as Annexure A and forms an integrated part of this report

Annexure A

To,
The Members of
Finolex Cables Limited
26/27, Bombay Poona Road, Pimpri, Pune – 411 018

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

1. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
2. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
3. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.

Disclaimer

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Jog Limaye & Associates**
Company Secretaries

Kanchan Limaye
Partner
Membership No. : F9555
CP No. : 17326

Place: Pune
Date: 24th May, 2019

Shareholder / Debentureholder Information

Registered Office

Finolex Cables Limited, 26/27 Mumbai-Pune Road, Pimpri, Pune - 411 018
[CIN: L31300MH1967PLC016531]

Annual General Meeting

The 51th Annual General Meeting ("AGM") of the Company will be held on Wedneday, 18th September, 2019 at 11.30 a.m. at the Auditorium of Auto Cluster Development and Research Institute, H Block, Plot C-181, Near D' Mart, Chinchwad, Pune - 411 019.

Financial Calendar (Tentative):

a)	Annual General Meeting	:	18th September, 2019
b)	Results for quarter ending 30th June, 2019	:	Second week of August, 2019
c)	Results for quarter ending 30th September, 2019	:	Second week of November, 2019
d)	Results for quarter ending 31st December, 2019	:	Second week of February, 2020
e)	Results for quarter ending 31st March, 2020	:	Last week of May, 2020

Dates of Book Closure

The Company's Transfer Books will be closed from Saturday, 7th September, 2019 to Wednesday, 18th September, 2019 (both days inclusive) for purpose of AGM and for payment of Dividend for the year ending 31st March, 2019.

Dividend Payment

The Board of Directors of the Company at its meeting held on 29th May, 2019 recommended payment of Dividend @225% (i.e. Rs.4.50 per equity share of Rs.2/- each fully paid up) for the year ending 31st March, 2019. The payment of dividend is to be approved by the members at the AGM and as on date is exempt from income-tax in the hands of members.

The aforesaid Dividend, if declared at the AGM, will be paid on or before 17th October, 2019 to those members whose names appear in the Register of Members as on the date of AGM. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership as per the details to be received from the Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose, the same being as of close of their respective hours of business on the date immediately preceding the aforesaid Book Closure period (i.e., as of Friday, 6th September, 2019).

Stock Exchange Listing

The Company's equity shares are tradable and/or quoted on National Stock Exchange of India Limited ("NSE") and BSE Limited (formerly Bombay Stock Exchange Limited) which are nationwide recognized Stock Exchanges. The Company's Global Depository Receipts (GDRs) are listed on the Luxembourg Stock Exchange.

Stock Code		Code/Trading Symbol
Trading Symbol BSE Limited	:	500144
Trading Symbol National Stock Exchange of India Limited	:	FINCABLES-EQ
International Securities Identification Number (ISIN)	:	INE235A01022

Payment of Listing Fees

Annual Listing Fee for the year 2019-20 as applicable has been paid to the Stock Exchanges (i.e., NSE and BSE) and Annual Maintenance Fees for the Calendar year 2019 has been paid by the Company to the Luxembourg Stock Exchange in respect of the GDRs listed thereon.

Stock Market Data

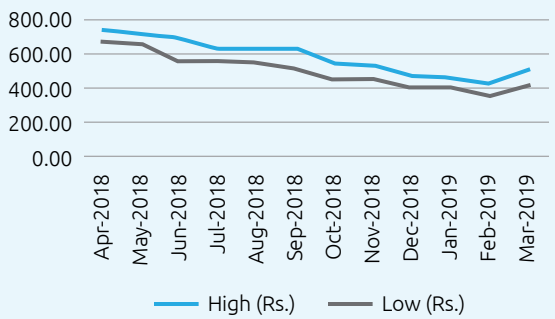
The monthly high and low quotations and volume of shares traded at National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) are as follows:

(Source: BSE and NSE Websites)

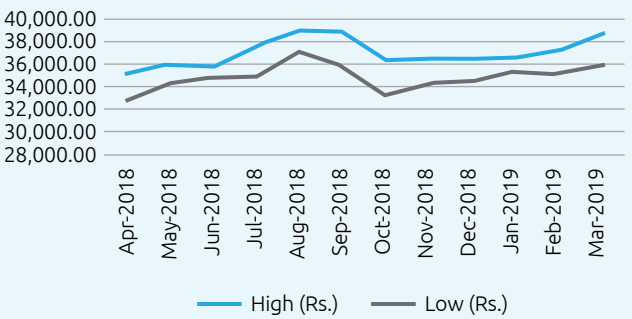
Period	NSE			BSE		
	High (Rs.)	Low (Rs.)	Volume Shares traded (Nos.)	High (Rs.)	Low (Rs.)	Volume Shares traded (Nos.)
April, 2018	738.00	667.10	984,984	740.00	664.10	63,699
May, 2018	703.25	651.25	1,288,662	715.00	655.05	975,640
June, 2018	687.90	557.75	2,203,318	689.95	557.30	127,940
July, 2018	648.90	558.35	1,861,274	628.00	560.55	603,222
August, 2018	626.20	545.00	1,675,010	628.50	546.00	58,006
September, 2018	629.90	510.00	827,638	625.00	512.80	93,245
October, 2018	544.80	450.00	704,019	543.25	452.50	82,186
November, 2018	540.00	443.90	688,745	539.90	445.05	66,412
December, 2018	477.95	442.80	788,086	479.20	402.00	93,264
January, 2019	458.80	410.00	762,539	457.95	406.00	65,011
February, 2019	422.95	357.00	3,293,116	421.50	356.00	229,934
March, 2019	507.85	405.10	2,179,044	506.75	408.55	117,058
Total			**24,119,265**			**2,575,617**

The equity shares of the Company are regularly traded on NSE and BSE and thus have good liquidity.

Monthly high/low price of Company's equity shares on BSE Limited



Monthly high/low price of S&P BSE Limited Sensex



Shareholding Pattern as on 31st March, 2019

Category			No. of shares held	Percentage Shareholding
A	**Promoters Shareholding:**			
1		Promoters*		
	-	Indian Promoters	54841170	35.86%
	-	Foreign Promoters	NIL	NIL
2		Persons acting in Concert	NIL	NIL
		Sub Total	**54,841,170**	**35.86%**

Category			No. of shares held	Percentage Shareholding
B	**Non-Promoters holding:**			
3	Institutional Investors			
	a	Mutual Funds	28745649	18.80%
	b	Banks and Financial Institutions including UTI	68648	0.04%
	c	Foreign Portfolio Investors	9851662	6.44%
	d	Insurance Companies	1045182	0.68%
		Sub Total	**39711141**	**25.96%**
		OTHERS:		
	a	Private Corporate Bodies** including NBFCs	24040267	15.72%
	b	Indian Public including HUFs	27052197	17.69%
	c	NRIs/ OCBs	1261468	0.82%
	d	Clearing Members***	21552	0.01%
	e	Any others (Custodian for GDRs)	6011550	3.93%
		Sub Total	**58387034**	**38.17%**
		Grand Total	**152939345**	**100.00%**

* *The promoters have confirmed to the Board of Directors that they have not pledged any of their shares held in the Company as at 31st March, 2019 with any party / bank.*

** *Includes 22,187,075 shares (14.51%) held by Associate Company- Finolex Industries Ltd.*

*** *In case an investor has bought any shares, such investors must ensure that the relevant shares are transferred to his demat account before the book closure period/record date. Investors should note that the dividend on shares lying in the clearing members (i.e. Broker) account cannot be made available to the members directly by the Company.*

Distribution by size of Shareholding as on 31st March, 2019

No. of Equity Shares held	No. of Members	% of Members	No. of Shares	% of Shareholding
1-5000	45,742	96.80%	10,364,530	6.77%
5001-10000	1,002	2.12%	3,572,964	2.34%
10001 & above	511	1.08%	139,001,851	90.89%
Grand Total	**47,255**	**100.00%**	**152,939,345**	**100.00**

Registrar and Transfer Agents

The Company had earlier taken requisite steps and centralized at a single point its share registry works for equity shares held in physical as well as electronic form with M/s. Karvy Fintech Private Limited (previously known as M/s. Karvy Computershare Private Limited), Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032 who are an ISO 9002 Certified Registrar and Transfer Agents and are holding Registrars to an issue and Share Transfer Agent Category I Registration No. INR000000221 dated 18th October, 2012 issued by Securities and Exchange Board of India ("SEBI").

Share Transfer System

Share Transfer requests received in physical form and found valid are normally registered within 15 days from date of receipt and Demat requests are normally confirmed within an average of 10 days from the date of receipt.

Statistics of Members – 2017 – 2019

31st March	No. of members
2017	39,279
2018	42,968
2019	47,255

Corporate Benefits to Investors

a) Bonus Issues of Fully Paid-up Equity Shares:

Year	Ratio
1999	1:1
1994	1:1
1992	1:1
1988	4:5

b) Dividend declared during previous 10 years:

Financial Year	Date of Declaration	Face Value of Equity Share	Dividend Rate Percentage (%)	Dividend Rate Amount (Rs. per share)
2017-18	25th September 2018	2	200	4.00
2016-17	28th September, 2017	2	150	3.00
2015-16	8th September, 2016	2	125	2.50
2014-15	10th August, 2015	2	90	1.80
2013-14	9th September, 2014	2	80	1.60
2012-13	28th June, 2013	2	60	1.20
2011-12	14th August, 2012	2	40	0.80
2010-11	8th August, 2011	2	35	0.70
2009-10	9th August, 2010	2	30	0.60
2008-09	26th August, 2009	2	10	0.20

Note: In the year 2006-07, the Company sub-divided each Equity Share of Rs.10/- face value into 5 (Five) Equity Shares of Rs.2/- each with effect from 16th January, 2007.

Dematerialisation of Shares

The Company's equity shares are included in the list of companies whose scrips have been mandated by SEBI for settlement only in dematerialized form by all institutions and all investors. The Company had signed agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) to offer depository services to its members. As on 31st March, 2019, 98.79% (i.e., NSDL: 95.85% and CDSL: 2.94%) of the equity share capital of the Company has been dematerialized.

Annual custody fees for the financial year 2018-19 had been paid by the Company to NSDL and CDSL.

Outstanding GDRs/ DRs/ Warrants, etc

There are no outstanding GDRs/ DRs/ Warrants or any convertible instruments for conversion as on 31st March, 2019.

Plant Locations:

Pimpri (Electrical Cables)
26/27, Mumbai-Pune Road
Pimpri, Pune - 411 018
Telephone Nos.: 27475963/27506200
Facsimile No.: (020) 27472239
Email: Dasare@finolex.com

Urse (Electrical & Communication Cables)
Taluka Maval
Dist – Pune - 410 506
Telephone Nos.: (02114) 662466
Facsimile No.: (02114) 237025
Email: pm_deshpande@finolex.com

Urse (Optic Fiber and Optic Fiber Cable)
Urse, Taluka Maval
Dist – Pune - 410 506
Telephone Nos.: (02114) 662466
Email: sunil@finolex.com

Urse (Lighting)
Plot No. 399, Village Urse Taluka Maval
Dist – Pune - 410 506
Telephone Nos.: (02114) 662466
Email: dippak_sharrma@finolex.com

Urse (Switches)
Gat No. 344 Village Urse, Taluka Maval
Dist- Pune - 410 506
Telephone Nos.: (02114) 662466
Email: MV_Rangwani@finolex.com

Urse (Power Cable)
Gat No. 343, Village Urse,
Taluka Maval, Dist-Pune-410 506
Telephone Nos.: (02114) 662466
Email: PB_Jaisingh@finolex.com

Goa (Electrical & Communication Cables)
Plot No. 117/L118,
Verna Industrial Estate, Verna Salcette,
South Goa, Goa – 403 722
Telephone Nos.: (0832) 2782002/3/4
Facsimile No.: (0832) 2783909
Email: ratnakar_barve@finolex.com

Goa (Optic Fiber Cables)
Plot No. L123/9A,
Verna Industrial Estate, Verna Salcette,
South Goa, Goa – 403 722
Telephone Nos.: (0832) 2782002/3/4
Facsimile No.: (0832) 2783909
Email: omprakash_yadav@finolex.com

Goa (CCC Rod) Plot No. S263/2, Panjim-Belgaum Road, Usgaon – Tisk, Ponda, Goa – 403 406 Telephone Nos.:(0832) 2344376/8/9 Email: knarayanan@finolex.com	**Roorkee (Electrical Cables)** Plot Nos.K-1 & K-2 AIS Industrial Estate Latherdeva Hoon, Mangalaur Zebreda Road, Roorkee, Taluka Haridwar, Uttarakhand – 247 667 Telephone Nos.: (01332) 224069/224044/45 Email: pravin_ahire@finolex.com
Roorkee (Switchgears) Plot Nos.K-1 & K-2 AIS Industrial Estate Latherdeva Hoon, Mangalaur Zebreda Road, Roorkee, Taluka Haridwar, Uttarakhand – 247 667 Telephone No.: (01332) 224069/224044/45 Telefax No.: (01332) 224068 Email: pravin_ahire@finolex.com	**Roorkee (Switches)** Plot Nos.K-1 & K-2 AIS Industrial Estate Latherdeva Hoon, Mangalaur Zebreda Road, Roorkee, Taluka Haridwar, Uttarakhand – 247 667 Telephone No.: (01332) 224069/224044/45 Telefax No.: (01332) 224068 Email: pravin_ahire@finolex.com

Investor Correspondence:

The Company's Secretarial Department provides assistance to members under the overall supervision of Mr. R G D'Silva, Company Secretary & President (Legal).

For the convenience of members, the Memorandum of Association and Articles of Association of the Company besides various blank forms and formats are available under "Investors Section" of Company's website http:// www.finolex.com. Further, any query relating to shares and requests for transactions such as transfers, transmissions, nomination facilities, issue of duplicate share certificates, change of address pertaining to physical shares and non-receipt of Dividends/Annual Reports, as also regarding dematerialization of shares may please be taken up with the Company or its Share Transfer Agent:

(A) Company:

Secretarial Department

Finolex Cables Limited
26/27 Mumbai – Pune Road,
Pimpri, Pune - 411 018
Telephone Nos.: (020) 27506202/27506230/27506279
Board Nos.: (020) 27506200 / 27475963
Facsimile No.: (020) 27472239
Email: investors@finolex.com

Contact Persons:

Mr. R G D'Silva – Company Secretary & President (Legal)
Mrs. Gayatri Kulkarni – Compliance Officer
Mr. Mahadev H Yeske – Senior Manager – Secretarial
Mr. Gitesh Karandikar – Senior Manager – Secretarial

(B) Share Transfer Agent:

M/s. Karvy Fintech Pvt. Ltd.
Karvy Selenium Tower B, Plot 31-32,
Gachibowli, Financial District, Nanakramguda,
Hyderabad, Telangana – 500 032
Telephone No.: (040) 67161630
Board No.: (040) 67162222
Facsimile No.: (040) 23420814
Email: einward.ris@karvy.com

Contact Persons:

Mr. Thakur Birender – Dy. General Manager
Ms. Krishna Priya – Manager
Mr. Sunil Ponugoti – Deputy Manager
Mr. Rajesh K Patroi – Deputy Manager

Shareholder information On-line:

The Balance Sheet information is a part of the Company's World Wide home page http://www.finolex.com. Users can obtain information on Company products and services, Company background, Management, Financial and Shareholders' information requisite blank forms / formats and other major developments

Nomination facility:

Individual members (whether holding shares singly or jointly) can avail of the facility of nomination. As per the provisions of Section 72 of the Companies Act, 2013 the nominee shall be the person in whom all rights of transfer and/or amount payable in respect of the shares shall vest in the event of the death of concerned shareholder(s). A minor can also be a nominee provided the name of the guardian is given in the Nomination Form. The facility of nomination is not available to non-individual members such as bodies corporate, financial institutions, Karta's of Hindu Undivided Families (HUFs) and holders of Power of Attorney. Blank nomination form can be downloaded from the Company's website: http://www.finolex.com. In case of any assistance, please contact the Secretarial Department at the above Registered Office of the Company.

Members Contact Email Address:

The Government in its concern for the environment has, as part of its green initiative, vide Circular No. 17/2011 dated 21st April, 2011 issued by the Ministry of Corporate Affairs, permitted companies to serve requisite documents through electronic mode on their members. The relevant provisions of Section 20, 101 and 136 of the Companies Act, 2013 (the "Act") read with the relevant Rules framed under the Act support this noble cause. Members are requested to support this worthy cause and inform the Company their personal email addresses and changes, if any, therein from time to time in the format provided under Investors' Section (Blank Forms) of the Company's website http://www.finolex.com. This will also facilitate expeditious communication.

ECS Facility / Bank Mandate / Details:

In order to provide protection against fraudulent encashment of dividend warrants:

(a) Members holding shares in physical form are requested to furnish their Bank account number with the name of the Bank/Branch, its address (with 9 digit MICR Code) and quoting their folio number, etc. so that the Bank account details are available for payment of dividend by ECS / can be printed on the dividend warrants.

(b) Members holding shares in dematerialized form may please immediately inform changes, if any, in their Bank account details (with 9 digit MICR Code) to their Depository Participant (DP) to enable the correct Bank account details to be made available to the Company by the DP for ECS / printing on the dividend warrants.

In any case, members will appreciate that the Company will not be responsible for any loss arising out of fraudulently encashed dividend warrants, if any.

Debt Securities:

The Company has not issued any Non-Convertible Debentures ("NCD") in Financial Year 2018-19 and no NCD is outstanding as on 31st March, 2019.

Annexure E

Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

A. Conservation of Energy:

Steps taken or impact on conservation of energy, utilizing alternate sources of energy and capital investments on energy conservation equipments:

(i) Relevant Street and Shed lights are replaced with 70W/250W sodium vapour lighting fixtures of low power factor by 50W/120W LED fixtures.

(ii) Imported motorized valve of combustion-system was replaced by suitable Indian model which is standardized for future requirements.

(iii) Imported process control instruments of HONEYWELL are replaced by Indian model and same is now standardized.

(iv) Foreign brand burners of the tundish and launder are replaced by locally manufactured units and standardized.

(v) Combustion sequence control units are replaced with Indian alternatives and standardized.

(vi) Energy efficient VFD motor and drives installed to reduce power consumption, in locations like LDC 16 wire MWD line and JFTC Group Twinner lines.

(vii) STP Plant treated water is utilized for gardening to reduce water consumption.

(viii) Improved preventive maintenance of machines to reduce energy loss.

(ix) Regular monitoring and rectification of air leakage is done to reduce air consumption.

B. Technology Absorption:

Efforts made in technology absorption as per Form B are as follows:

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

1. Specific areas in which the Company is pursuing R&D efforts:
   (a) Following new cables have been designed, developed and type approvals obtained/successfully launched in the market:
      (i) Developed CAT6 Cable with CCA conductor meeting EIA/TIA specifications.
      (ii) Continuous efforts are going on for developing new types of cables to meet niche market demand.
   (b) Configured and installed one single line capable of producing multiple number of OFC products like Tight buffer, FTTH, Simple/Duplex, Drop cable, etc.

2. Benefits derived as a result of the above R&D:
   The aforesaid newly developed products have been introduced in the market and give significant benefits in terms of quality, better performance of the end-user application and import substitution.

3. Future plan of action:
   - To develop FR XLPE for auto wires conforming TXL/GXL requirement
   - To develop TPE Type D compound for Electrical Commercial Vehicles
   - To develop new type of Auto Cable i.e. CAVUS Type
   - To develop cables with thermo plastic rubber insulation for welding application
   - To develop Rubber based cables for windmill application

- To develop CAT7 LAN cables with higher bandwidth
- To develop Insulation and Sheathing compound suitable for solar cable application – Both ambient and E-Beam curing
- To develop compound for HFFR application
- To develop welding cable compound having cross linking properties

4. Expenditure on R & D:

(a)	Capital	}	The development work is carried on
(b)	Recurring	}	by the concerned departments on
(c)	Total	}	an ongoing basis. The expenses
(d)	Total R & D expenditure as a percentage of total turnover	}	and the costs of assets are grouped under the respective heads.

Technology Absorption, Adaptation and Innovation:

1. Efforts in brief, made towards technology absorption, adaptation and innovation:
   (a) Developed FR-XLPE compound for automotive wires AEX as per JASO specification.
   (b) Several grades of PVC compounds were reformulated to suit higher line speeds and also made environmentally friendly complying with ROHS requirements.
   (c) Continuous efforts are going on for further developing, improving and upgrading all types of cables.

2. Benefits derived as a result of the efforts e.g. product improvement, cost reduction, product development, import substitution, etc:
   Several tangible and intangible benefits from new technology are derived such as cost reduction, productivity, development of better and new products, import substitution and better customer services. Development and manufacture of new products with enhanced features will extend the product range of the Company, enabling it to cater to different niche markets and customer needs.

3. Imported technology (imported during the last 5 years reckoned from the beginning of the financial year):

a)	Technology Imported	:	Nil
b)	Year of Import	:	Not applicable
c)	Has technology been fully absorbed?	:	Not applicable
d)	If not fully absorbed, areas where this has not taken place, reasons therefore, and future plans of action	:	Not applicable

C. Foreign Exchange Earnings and Outgo:

The market conditions overseas continue to be difficult and reflect the subdued pace in global economic activity. FOB value of exports for the year grew by a modest 10% year on year and stood at Rs.30.44 Crores. Your Company is continuing its sustained efforts to retain old customers and add new customers in various export markets and to address the needs of niche markets.

i) Earnings by way of Exports : Rs. 30.44 Crores

ii) Outgo by way of Imports : Rs. 344.19 Crores

For and on behalf of the Board of Directors

Pune
Dated: 29th May, 2019

D.K. Chhabria
Executive Chairman

Annexure F

Disclosure in Directors' Report Pursuant to Section 197(12) of the Companies Act 2013 Read with Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014

Sr. No.	Requirements	Disclosure	
1	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	**Name of the Director**	**Ratio**
		Mr. D. K. Chhabria	262.5X
		Mr. Mahesh Viswanathan	95.7X
		Mr. Sanjay K Asher	1.4X
		Mr. Pratap G Pawar	8.2X
		Mr. P R Rathi	3.4X
		Mrs. Namita V Thapar	1.4X
		Mr. Shishir Lall	6.5X
		Ms. Poornima K Prabhu	0.7X
		Mr. M L Jain	1.4X
		For this purpose, Sitting fees paid to the Directors and Company's contribution to Provident Fund and Superannuation funds have not been considered as remuneration.	
2	The percentage increase in remuneration of each director, Chief Financial Officer and Company Secretary in the financial year	Mr. D. K. Chhabria	-32.39%
		Mr. M. Viswanathan	14.26%
		Mr. R. G. D`silva	15.51%
3	The percentage increase in the median remuneration of employees in the financial year:	During FY 2018-19, the percentage increase in the median remuneration of employees as compared to previous year was approximately 2.38%	
4	The number of permanent employees on the rolls of company	1824 (including whole time directors)	
5	Average percentage increase already made in the salaries of the employees other than ihe managerial personnel in the last last financial year and its comparison with the percentage increase in the managerial remuneration.	Average increase in the remuneration is 5.87% for the employees other than Managerial Personnel and (22.43) % for Managerial Personel.	
6	The key parameters for any variable component of remuneration availed by the directors	Both, Mr. D.K. Chhabria, Executive Chairman and Mr. M. Viswanathan, Deputy Managing Director and Chief Financial Officer are paid variable pay as per their agreement provisions. Non-Executive Directors of the Company are paid commission as approved by Shareholders in the General Meeting.	
7	Affirmation, that the remuneration is as per the remuneration policy of the Company	Yes	

General Notice:

1. Profit of the company is calculated as per Section 198 of the Companies Act,2013
2. Managerial Personnel includes Executive Chairman and wholetime Director.

For and on behalf of the Board of Directors

Pune
Dated: 29th May, 2019

D.K. Chhabria
Executive Chairman

Annexure G

Form AOC 1

(Pursuant to first proviso to sub-section 3 of the Section 129 of the Companies Act,2013 read with Rule 5 of the Companies (Accounts) Rules,2014)

Statement containing salient features of the financial statements of Subsidiaries/Associates/JV Companies

Part A – Subsidiaries: The Company has no subsidiaries

Part B – Associates and Joint Ventures

(Rs. In Crores)

	Name of Associates or Joint Ventures	Finolex Industries Ltd (FIL)	Finolex J-Power Systems Pvt.	Corning Finolex Optical Fibre Pvt.
		Associate	Joint Venture	Joint Venture
1.	Latest audited Balance Sheet Date	31st March, 2019	31st March, 2019	31st March, 2019
2.	Date on which the Associate or Joint Venture was associated or acquired	31st Mar,1989	15th May, 2008	17th Sep, 2014
3.	Shares of Associates or Joint Ventures held by the company on the year end			
	No. of shares	40,192,597	152,635,000	1,750,000
	Amounted on Investment in Associates or Joint Ventures	151.8	152.6	1.7
	Extend of Holding %	32.39%	49%	50%
4.	Description of how there is significant influence	There is significant influence due to shareholding	There is significant influence due to joint control over the economic activities	
5.	Reason why the Associate or Joint Venture is not consolidated	NA	NA	NA
6.	Net-worth attributable to shareholding as per audited Balance Sheet	834.4	52.0	14.2
7.	Profit /(Loss) for the Year			
	Total Profit	367.3	(35.80)	14.2
	i. Considered in Consolidation	119.0	(17.5)	7.1
	ii. Not Considered in Consolidation	248.3	(18.3)	7.1

For and on behalf of the Board of Directors

Pune
Dated: 29th May, 2019

D.K. Chhabria
Executive Chairman

Annexure H

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014) Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis: NA – All transactions of the Company including the transactions with related parties which are also included in the Financial Statements of the Company are at Arm's length pricing.

   a) Name(s) of the related party and nature of relationship: NA

   b) Nature of contracts/arrangements/transactions: NA

   c) Duration of the contracts / arrangements/transactions: NA

   d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA

   e) Justification for entering into such contracts or arrangements or transactions: NA

   f) Date(s) of approval by the Board: NA

   g) Amount paid as advances, if any: NA

   h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: NA

2. Details of material contracts or arrangements or transactions at arm's length basis:

   a) Name of the related party and nature of relationship: Refer to Note 35 Related Party Disclosures to the Standalone Financial Statements

   b) Nature of transaction: Refer to Note 35 Related Party Disclosures to the Standalone Financial Statements

   c) Duration of transaction: The Transaction is entered into in the ordinary course of business.

   d) Salient terms of the transaction including the value, if any: Refer to Note 35 Related Party Disclosures to the Standalone Financial Statements

   e) Date of approval by Members, if any: Approved on various dates.

   f) Amount paid as advances, if any: Refer to Note 35 Related Party Disclosures to the Standalone Financial Statements

For and on behalf of the Board of Directors

Pune
Dated: 29th May, 2019

D.K. Chhabria
Executive Chairman

Annexure I

Annual Report on Corporate Social Responsibilities (CSR) Activities for the Financial Year 2018-19

1. **A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken as per CSR Policy and projects or programs.**
The Board of Directors have constituted a Corporate Social Responsibility Committee and formulated a Corporate Social Responsibility ("CSR") policy of the Company, as prescribed by the Companies Act, 2013 vide sub-section (1) of section 135 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. Eligible funds for CSR activities in each financial year will be expended in the areas of Medical help/relief, Medical Research, Education, Skill Development, Vocational Training, Sustainability, Environment, Sports and Rural Development through one or more implementing agencies/trusts. These CSR activities will be carried out through various programs or projects as specified in the CSR Policy of the Company. The CSR policy of the Company has been displayed on the Company's website at the link: https://finolex.com/csr/

2. **The Composition of CSR Committee**

Name	Designation	DIN
Mr. P.R. Rathi	Independent Director	00012596
Mr. D.K. Chhabria	Executive Chairman	01403799
Mr. Mahesh Viswanathan	Deputy Managing Director & CFO	02780987

3. **Average net profit of the Company for last three financial years (2015-16 to 2017-18):** Rs. 371.3 Crores

4. **Prescribed CSR Expenditure for FY 2018-19 (2% - two percent of the amount as in item 3 above):** Rs. 7.4 Crores

5. **Total carried forward unspent from the previous years:** Rs. 6.1 Crores

6. **Total amount spent during the year:** Rs. 9.4 Crores. The manner in which this amount was spent is detailed below:

7. **Balance unspent amount:** Rs. 4.1 Crores., of which certain sums have been Earmarked but would be spent during the next year. The Manner in which the amount spent during the financial year is detailed below:

Sr No	CSR Projects/ Activities identified	Sector in which the Project is covered	1. Projects or programs Local area or others 2. Specify the state and district where projects was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct Expenditure on projects orprograms. 2) Overheads	Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing agency	Remarks
1	Mobile- Pawana Hospital	Health care	Urse , Pune-Maharashtra	0.6	0.09	0.3	Direct	Amounts have been pledged and will be spent next year.
2	Haribhai Cowasji Jehangir Medical Research Institute	Health care	Pune-Mahrashtra	0.25	0.25	0.25	Direct	--

Sr No	CSR Projects/ Activities identified	Sector in which the Project is covered	1. Projects or programs Local area or others 2. Specify the state and district where projects was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct Expenditure on projects orprograms. 2) Overheads	Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing agency	Remarks
3	Shree Mahalasa Narayani Charitable Trust	Educational	South Goa, Goa	0.10	0.09	0.09	Direct	--
4	Kursali Village School	Educational	Kursali,Rorkee, Haridwar-Uttarkhand	0.75	0.03	0.3	Direct	Work in Progress, project expected to be completed in 19-20
5	STP Grampanchayat	Village Development	Urse , Pune-Maharashtra	0.85	0.73	0.73	Direct	Under Progress
6	Maharaj Jagat Singh Medical Relif	Health care	Amritsar, Panjab	2.25	2.25	2.25	Direct	--
7	ONP Hospital (HARMONY MEDICAL TRUST)	Health care	Pune , Maharashtra	0.75	0.11	0.11	Direct	Work in Progress, project expected to be completed in 19-20
8	Vivekanand Youth Welfare Society,	Educational	Parli Vaijanath, Beed, Maharashtra	0.30	0.30	0.30	Direct	--
9	Sanjeevani Sharda Kendra	Educational / Social	Bodi,Jammu	1.05	0.52	0.52	Direct	Amounts have been pledged for construction of buildings and will be spent as per work completed. The construction is currently under progress.
10	Ajeya Trust	Educational	Moorukaje Vittal Padnoor village	0.55	0.55	0.55	Direct	--
11	Prabodhini Trust	Educational	Chickmagalur, Karnataka	0.30	0.30	0.30	Direct	
12	Deendayal Bahuuddeshiya Prasarak Mandal,	Educational	Yavatmal, Maharashtra	2.95	1.47	1.47	Direct	Amounts have been pledged for construction of buildings and will be spent as per work completed. The construction is currently under progress.

Sr No	CSR Projects/ Activities identified	Sector in which the Project is covered	1. Projects or programs Local area or others 2. Specify the state and district where projects was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct Expenditure on projects orprograms. 2) Overheads	Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing agency	Remarks
13	Sakal Social Foundation	Social	Pune, Maharashtra	0.50	0.50	0.50	Direct	--
14	Sakal India Foundation	Social	Pune, Maharashtra	0.50	0.50	0.50	Direct	--
15	Sakal Relief Fund	Social	Pune, Maharashtra	0.50	0.50	0.50	Direct	--
16	Namami Gange	Social	New Delhi	1.00	1.00	1.00	Direct	--
17	Supreintendent of Police - Sumo Vehicle,	Social	Pune, Maharashtra	0.30	0.30	0.30	Direct	--
			Total	**13.5**	**9.4**	**9.97**		

The Responsibility Statement

The Responsibility Statement of the Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company is reproduced below:

'The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company.'

Place: Pune
Date: 29th May, 2019

D. K. Chhabria
Executive Chairman

P. R. Rathi
Chairman, CSR Committee

Annexure J

Business Responsibility Report

Section A - General Information About Company

Sr No	Particulars	Information/Details
1	Corporate identification number	L31300MH1967PLC016531
2	Name of the Company	Finolex Cables Ltd.
3	Registered address	26-27 Mumbai-Pune Road, Pimpri, Pune 411 018 (India)
4	Website	www.finolex.com
5	Email address	sales@finolex.com
6	Financial year reported	1st April 2018 – 31st March 2019
7	Sector(s) that the Company is engaged in	Cables
8	Three key products/services manufactured/provided by Company	Electrical / Communication Cables & Other Electrical products
9	Total number of locations where business activities are undertaken by the Company	• **Registered Office -Plant:** **Pimpri:** 26/27, Mumbai - Pune Road 26/27, Mumbai - Pune Road Pimpri, Pune - 411018 • **Plant Location:** **Urse:** Talukal Maval Dist: Pune - 410506 • **Goa:** Plot No.117/L118, Verna Industrial Estate, Verna Salcette - South Goa, Goa - 403722 • **Panjim:** Belgaum Road, Usgoan - Tisk, Ponda, Goa - 403406 • **Roorkee:** Plot Nos.K-1 & K-2, AIS Industrial Estate Latherdeva Hoon, Mangalaur Zebreda Road, Roorkee, Taluka Haridwar, Uttarakand - 247667
10	Markets served by the Company	India

Section B - Financial Details of Company

Sr No	Particulars	Information/Details
1	Paid up capital	Rs. 30.6 Crore
2	Total Turnover	Rs. 3,199.6 crore (Including other non-operating income)
3	Total profit after tax	Rs. 344.1 Crore
4	Total spending on CSR as percentage of PAT	Please refer to the CSR Report
5	List of the activities in which expenditure in 4 above has been incurred	Please refer Annexure I forming part of this annual report

Section C - Other Details

Sr No	Particulars	Information/Details
1	Does the Company have any subsidiary company/ companies?	No
2	Do the subsidiary company/companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s)	NA
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities [Less than 30%, 30-60%, More than 60%]	NA

Section D - Business Responsibility (BR) Information

1) Details of Director / Directors Responsible for BR

a) Details of the Director/Directors responsible for implementation of the BR policy/policies

Name	Designation	DIN
Mr. P.R. Rathi	Independent Director	00012596
Mr. D.K. Chhabria	Executive Chairman	01403799
Mr. Mahesh Viswanathan	Deputy Managing Director & CFO	02780987

b) Details of BR Head

Name	Designation	DIN	Telephone number	E-mail ID
Mr. P.R. Rathi	Independent Director	00012596	+91 020 27475963	sales@finolex.com
Mr. D.K. Chhabria	Executive Chairman	01403799	+91 020 27475963	sales@finolex.com
Mr. Mahesh Viswanathan	Deputy Managing Director & CFO	02780987	+91 020 27475963	sales@finolex.com

2) Principle- wise (as per NVGs) BR policy

The Company's policies are in line with the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) which provides for the following (09) nine areas of Business Responsibility to be adopted:

- **P1 – Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.**
- **P2 – Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.**
- **P3 – Businesses should promote the well-being of all employees.**
- **P4 – Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.**
- **P5 – Businesses should respect and promote human rights.**
- **P6 – Businesses should respect, protect, and make efforts to restore the environment.**
- **P7 – Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.**
- **P8 – Businesses should support inclusive growth and equitable development.**
- **P9 – Businesses should engage with and provide value to their customers and consumers in a responsible manner.**

a) Details of Compliance

Sr No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any National / International standards? If yes, specify? (50 words)	Yes , the polices are in line with international standards such as IS/ISO 9001 and meet national regulatory requirement such as the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Also, guidelines as per NVGs on social, environment and economic responsibility of business have been considered for formulation of policies								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	These policies are administered and supervised by the management of the company through a robust internal governance structure.								
6	Indicate the link for the policy to be viewed online?	Policies on HR ISO, CSR, Insider Trading, related party etc. are available on Company's website www.finolex.com								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The policies on Quality, Safety and Health and Environment are subject to internal and external audits, as part of certification process and ongoing periodic assessments. Other policies are periodically evaluated for their efficacy through Internal audit mechanism.								

b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify)	-	-	-	-	-	-	-	-	-

3) Governance related to BR

a)	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	Annually
b)	Does the company Publish a BR or a Sustainability Report? What is the hyperlink for viewing this report?	The company has been publishing the BR report as part of its Annual report from the last two years which can viewed at www.finolex.com

Section E – Principle Wise Performance

PREFACE

As per the Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, and circulars issued by SEBI, annual report of top 500 listed entities based on market capitalization calculated as on March 31 of every year shall contain, Business Responsibility Report (BRR) describing the initiatives taken by them from an environmental, social and governance perspective.

The business responsibility reporting requirement is in line with "National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business" notified by Ministry of Corporate Affairs, Government of India, in July 2011

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

Finolex Cables Ltd ("The Company") is committed to conducting its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. The Company has in place the Code of Conduct ("Code") for its Directors and Senior Management Personnel and their confirmations to the Code is obtained by the Company on periodical basis. No Complaints linked to the Code of Conduct adherence were received in the reporting year.

This Policy is intended to provide guidance and help in recognizing and dealing with ethical issues, provide mechanisms to report unethical conduct, and to help foster a culture of honesty and accountability. The objective is to encourage the highest standards of ethical conduct, transparency and accountability while dealing with the stakeholders.

The Company has put in place a Whistle Blower Policy, which lays down the process to report any unethical behavior or violation of the Code of Conduct. Employees can report to the Management any instances of unethical behavior, or suspected fraud or violation of the Code of Conduct or ethics policy. Adequate measures are in place to ensure safeguards against victimization for employees who report any unethical behavior.

PRINCIPLE 2: BUSINESS SHOULD PROVIDE GOODS AND SERVCIES THAT ARE SAFE AND CONTIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE

The Company is is a firm believer in the philosophy that aligning business actions with sustainability goals ensures long-term growth for the Company. It recognizes that its business operations are dependent on the natural environment while simultaneously impacting it. Thus, it invests time and resources to ensure safety and resource efficiency at all stages of the product life, including product development, plant operations and supply chain management

The Company always recognizes and respects the rights of people who may be owners of traditional knowledge, and other forms of intellectual property within best business practice.

The Company was Awarded "Consumer validated Superbrand India 2009-10" and "Experts Choice Award- 2018 "in category of Electrical Cables and wires.

PRODUCT SUSTAINABILITY

The Company has the broadest range of electrical wires and cables, accessories, lighting products, switch gear products, fans and water heater. Whatever the needs one has in this area, one can count on FCL to deliver superior solutions.

SUSTAINABLE SOURCING

All major vendors are assessed to ensure that they adopt sustainable practice.

WASTE REDUCTION

The Company makes continuous efforts to reduce the quantum of waste being generated, directly or indirectly, due to its operations. For this, it works closely with its vendors, as well as improving process within its plants

PRINCIPLE 3: BUSINESSES SHOULD PROMOTE THE WELL-BEING OF ALL

The Company believes in continuous improvement to meet the challenges of tomorrow. One of the important and greatest asset is our employees who more ensures that day to day challenges are effectively met towards conquering the

day to day challenges. We have created a safe, positive work environment that nurtures a high performance culture in our journey to be one of the best Electrical Products Company.

In the year 2018-19, FCL hired approximately 400 employees, including 253 regular employees, 147 trainees. The stable workforce is an indicator of satisfied employees thus keeping FCL embarked on a continuous process of expansion and modernization. This has enabled the Company to become one of the most diversified and largest manufacturer of electrical products in the country.

OTHER DETAILS

a)	The total number of permanent employees	1824
b)	Total number of employees hired on temporary/ Contractual/casual basis	1464
c)	Total number of permanent Women employees	58
d)	Total number of permanent employees with disabilities	Nil
e)	Does the Company have an employee association that is recognized by the Management?	YES
f)	The number of complaints relating	Child Labour – Nil Forced Labour – Nil Involuntary Labour – Nil Sexual Harassment – 2 resolved

We believe in freedom of expression. We have a registered workers' union at our Urse plant. Strong grievance handling mechanism is in place. Line managers are actively involved in solving day to day problems of our workers. All the challenges are resolved amicably. This has ensured that there is no stoppage of work in our Company.

The company has a policy on 'Prevention of Sexual Harassment at Workplace'(POSH) and maternity leave policy in place to ensure the safety and security of women employees. We also celebrate International Women's Day as part of one of our women workforce engagement. We have arranged awareness programs, and other training programs to ensure a congenial work atmosphere.

FCL believes in continuous enhancement of skills and upkeep of its workforce to secure the overall productivity of the organization. Our approach is always focused to achieve skill upgradation. In the year 2018-19 more than 900 employees were part of learning process through 75 training programs.

We also have successfully implemented On-Job Training for 120 trainees upgrading their skills to in-line with organization's overall productivity requirements.

The whole learning and development program was focused to develop skills of the employees in accordance with the customer requirements. All the training programs have covered functional, soft skills, technical, work safety, health and applicable systems areas. The entire contract labors underwent rigorous training related to safety and work requirements.

The Company conducts audits of its suppliers for material and manpower to ensure statutory and process compliance.

The Company always ensures regular salary payout, timely payment of fair living wages to meet basic needs and economic security of the employee.

PRINCIPLE 4: BUSINESS SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARIGNALIZED.

The Company remains deeply concerned about the healthy engagement with its various stakeholders like employees, suppliers, stockists, dealers, customers, shareholders/ investors, communities surrounding the operations and Government / regulatory authorities. The Company continues its engagement with them through various mechanisms such as supplier/vendor meets, customer/employee satisfaction surveys, investor forums, consultations with local communities etc. The Company strives to encourage that there is no discrimination against socially disadvantaged sections in the work place. The Company makes its best efforts to balance between needs of multiple stakeholders in the best possible manner.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE AND PROMOTE HUMAN RIGHTS

The Company is dedicated to uphold the human rights of all its internal and external stakeholders. It ensures compliance with all applicable laws pertaining to human rights. A legal compliance report is submitted to the Company's Board of Directors on a quarterly basis. There were no complaints on violation of human rights in the year 2018-19.

Grievance Redressal Mechanism is a part and parcel of the machinery of any administration. No administration can claim to be accountable, responsive and user-friendly unless it has established an efficient and effective grievance redress mechanism. The Company has in place, an effective grievance redressal mechanism, to ensure the safety and security of its customers and employees.

PRINCIPLE 6: BUSINESS SHOULD RESPECT, PROTECT AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

The Company continually strives to minimize the environmental impact of its operations through sustainable practices and responsible use of natural resources. Further, it is committed to creating and preserving a clean environment and society.

The Company is dedicated to the continual improvement of its safety, occupational health and environmental performance. It continues to remain in full compliance with all applicable regulations and believes in providing a safe and healthy working environment by promoting good physical working conditions, standards of hygiene, housekeeping and preservation of the environment.

All plants of the Company operate as per the 'Consent-to-Operate' provided by the respective State Pollution Control Board (SPCB) and are within permissible limits with regards to the emissions and waste generated.

During the Financial Year 2018-19 there was no show-cause notice from SPCB or CPCB

PRINCIPLE 7: BUSINESS, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOLD DO SO IN A RESPONSIBLE MANNER

As a responsible member of various national as well as international associations, FCL actively engages in policy advocacy. The Company presents its views on the setting of new industry standards and regulatory developments pertaining to the cable manufacturing industry. It covers areas such as governance and administration, economic reforms, inclusive development policies, among others.

Some of the key associations of which the Company is member, are:

- Confederation of India Industry (CII)
- Mahratta Chambers of Commerce, Industries and Agriculture (MCCIA)
- Export Engineering Promotion Council (EEPC)

PRINCIPLE 8: BUSINESS SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

The Company believes that true and full measure of growth, success and progress lies beyond balance sheets or conventional economic indices. It is best reflected in the difference that business and industry make to the lives of people.

Through its social investments, the Company addresses the needs of communities residing in the vicinity of its facilities by taking sustainable initiatives in the areas of health, education, and infrastructure and community development.

GUIDING PRINCIPLES

The Company believes that social investments should:

- Benefit generations: The Company believes in 'investment in resource creation' for use over generations. The Company tries to identify sustainable projects which will benefit the society over long periods.
- Educate for self-reliance and growth: To usher in a growth-oriented society and thereby a very strong and prosperous nation, by educating each and every Indian.
- Promote health: The Company believes good health is a pre-requisite for both education and productivity.
- Encourage for self-help: To guide and do hand holding for self-help, individually and collectively
- To create excellence for self and for the team.
- Be focused: The Company believes that activities should be focused around locations where it has a presence and hence can effectively guide, monitor and implement specific projects.
- Target those who need it most: Care for the sections of the society, which are socially at the lowest rung irrespective of their religion or caste or language or color.
- Sustain natural resources: The Company encourages balanced development and ensure least adverse impact on environment – Growth with Mother Nature's– blessings

OUR ACTIVITIES

(Please refer to the Annexure I forming part this Annual Report on CSR activities for a detailed list of partners and grant amounts)

PRINCIPLE 9: BUSINESS SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER.

Customers are one of the most important stakeholders. The foundation of the company is based on the trust, satisfaction and loyalty of our consumers across the India, The Company continuously strives to make available its product that are safe and secured for the benefits of its customers/ end users. The Company actively interact with its Customers through a variety of platforms such as dealers meet.

The Company actively interacts with its customers through a variety of platforms such as call centers, web-based interfaces, dealer showrooms and service centers. The Company also organizes service camps at various locations to interact with customers at a personal level and solve their issues.

Independent Auditor's Report

To The Members of Finolex Cables Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Finolex Cables Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	Auditor's Response
Impairment of Investment in joint venture: (Refer Notes 2.3 (ii), 2.23 and 5 to the standalone financial statements.) As at 31 March, 2019, the Company held investment with a carrying amount of Rs. 52.01 crores (net of impairment Rs. 100.63 crores including Rs. 18.17 crores impaired during the year) in a joint venture - Finolex J-Power Systems Private Limited. This investment is carried at cost less impairment in the Company's standalone financial statements. Due to continuous losses being incurred by the joint venture, the Company's management has tested this investment for impairment in accordance with Ind AS 36 by comparing its recoverable amount with its carrying amount as at 31 March, 2019	**Principal Audit Procedures** We obtained an understanding of the Company's policies and procedures to identify impairment indicators for investment in joint venture and performed the following procedures in relation to the Company's management impairment assessment: • We tested the design and operating effectiveness of the Company's management controls over review of the impairment assessment including those over the forecasts of future cash flows and the selection of the discount rate. • We evaluated the reasonableness of forecasts of future cash flows of the joint venture provided to us by the Company's management by comparing the forecasts to historical trend analysis.

Key Audit Matter	Auditor's Response
The recoverable amount of the investment in joint venture is assessed based on future discounted cash flows of the joint venture (Enterprise Value). We considered this as a key audit matter due to significant judgement involved in estimating future cash flows of the joint venture and in determining the discount rate to be used. Changes in these inputs and assumptions could impact the results of the impairment assessment.	• With the assistance of our fair value specialists, we evaluated the reasonableness of the valuation methodology and discount rate. • We evaluated management's sensitivity analysis around the key assumptions, to ascertain the extent of change in those assumptions that would be required for the investment in joint venture to be impaired further.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis

for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31 March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in

"Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended.

As more fully stated in Note 28.1 the reappointment and remuneration of the two executive directors is pending before the Hon'ble High Court. Subject to the aforesaid in our opinion and to the best our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provision of Section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company except in respect of transfer of equity shares, as the Company is in process of ascertaining the quantum of shares to be transferred, in terms of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Place: Pune
Date: 29 May, 2019

R. A. Banga
Partner
Membership Number: 037915

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Finolex Cables Limited ("the Company") as of 31 March, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2019, based on criteria for the internal control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Place: Pune
Date: 29 May, 2019

R. A. Banga
Partner
Membership Number: 037915

Annexure "B" to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) In respect of its fixed assets (Property, Plant and equipment):

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The company has a program of verification to cover all the items of Property, plant and equipment in a phased manner over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/ transfer deed/conveyance deed/Possession Certificate/Lease agreement/Encumbrance Certificate provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date, except the following:

(Rs. In Crore)

Particulars of the land and building	Gross Block as at the Balance Sheet date	Net Block as at the Balance Sheet date	Remarks
Freehold land located at Urse Taluka Maval Dist-Pune. PIN code-410506	1.93	1.93	As per the information given to us, the title deed of the land is in the name of erstwhile AT & T Finolex Fibre Optic Cables Limited. The Company is in the process of updating the title deeds in the name of the Company.

In respect of immovable properties of land that have been taken on lease and disclosed as property, plant and equipment in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreements.

(ii) As explained to us, the inventories lying with the Company were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification. For inventory lying with third parties at the year-end, written confirmations have been obtained.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of Clause (iii) of paragraph 3 of the Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits during the year. Therefore, the provisions of the clause (v) of paragraph 3 of the Order is not applicable to the Company.

(vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of its products. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Excise duty, Service Tax, Customs Duty, Value Added Tax, Goods and Services Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Services Tax, Cess and other material statutory dues in arrears as at 31 March, 2019, for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Wealth Tax, Sales Tax, Entry Tax, Value added tax, Customs Duty and Excise duty which have not been deposited as on 31 March, 2019 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount Unpaid (Rs. In crore)
The Central Sales Tax Act and Local Sales Tax Act	Sales Tax	Sales Tax - Tribunal	1992-1993, 2003-2004 and 2012-2013 to 2014-2015	1.43
		Commissioner (Appeal)	2013-2014 to 2014-2015	0.33
		Joint Commissioner Sales Tax (Appeal)	2006-2007, 2012-2013 and 2013-2014	0.50
		Joint Commissioner Commercial of Tax (Appeal)	2009-2012, 2010-2011 and 2012-2013 to 2014-2015	5.44
		Deputy Commissioner of Commercial Tax	2007-2008 to 2010-2011	28.27
		Deputy Commissioner of Sales Tax	2007-2008, 2011-2012 to 2014-2015 and 2016-2017	1.97
		Assistant Commissioner Commercial of Tax (Appeal)	2002-2003, 2004-2005, 2006-2007 to 2009-2010 and 2011-2012 to 2016-2017	79.67
Goa Entry Tax Act, 2000	Entry Tax	Assistant Commissioner Commercial of Tax (Appeal)	2005-2006 to 2006-2007, 2008-2009 to 2009-2010 and 2011-2012 to 2012-2013	12.39
Income-Tax Act, 1961	Income Tax	Hon'ble Supreme Court	2002-2003	2.81
		Hon'ble High Court	1993-1994 to 1996-1997, 2000-2001 to 2003-2004, 2010-2011 and 2011-2012	22.30
		Commissioner of Income Tax (Appeal)	2008-2009, 2010-2011, 2011-2012 and 2013-2014	6.87
Wealth Tax Act,1957	Wealth Tax	High Court	2002-2003 to 2004-2005	0.25
Customs Act, 1962	Customs Duty	Commissioner	1999-2000	1.34
Central Excise Act, 1944	Excise Duty	Customs, Excise and Service Tax Appellate Tribunal	2005-2006 to 2015-2016	32.32
		Commissioner (Appeal)	2012-2013 to 2016-2017	6.07
		Additional Commissioner	2004-2005 to 2007-2008, 2009-2010 and 2012-2013 to 2015-2016	7.17

(viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Accordingly, the provisions of Clause (viii) of paragraph 3 of the Order are not applicable to the Company.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of paragraph 3 of the Order is not applicable to the Company.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) As more fully stated in note no. 28.1 the reappointment and remuneration of the two executive directors is pending before the Hon'ble High Court. Subject to the aforesaid in our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of paragraph 3 of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of paragraph 3 of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Act are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Place: Pune
Date: 29 May, 2019

R. A. Banga
Partner
Membership Number: 037915

Standalone Balance Sheet

as at 31st March, 2019

(Rs. In Crore)

	Note No.	As at 31st March, 2019	As at 31st March, 2018
I ASSETS			
Non Current Assets			
(a) Property, Plant and Equipment	3	403.50	408.00
(b) Capital Work-in-Progress		10.36	5.20
(c) Intangible Assets	4	0.71	0.99
(d) Financial Assets			
i) Investment in Associate and Joint Ventures	5	205.61	204.91
ii) Other Investments	6	408.34	308.93
iii) Loans	8	3.82	3.75
iv) Other Financial Assets	9	0.23	0.66
(e) Non-Current Tax Assets (Net)		21.44	12.24
(f) Other Non-Current Assets	10	22.97	21.49
		1,076.98	**966.17**
Current Assets			
(a) Inventories	11	587.20	499.06
(b) Financial Assets			
i) Investments	7	767.92	700.98
ii) Trade Receivables	12	210.88	174.92
iii) Cash and Cash Equivalents	13	46.38	76.87
iv) Other bank balances	14	2.42	26.74
v) Other Financial Assets	9	0.48	2.34
(c) Other Current Assets	15	76.74	28.97
		1,692.02	**1,509.88**
TOTAL ASSETS		**2,769.00**	**2,476.05**
II EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	16	30.59	30.59
(b) Other Equity	17	2,409.08	2,163.31
		2,439.67	**2,193.90**
LIABILITIES			
Non Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	18	0.38	0.55
(b) Provisions	19	9.42	6.97
(c) Deferred Tax Liabilities (Net)	20	58.34	34.93
		68.14	**42.45**
Current Liabilities			
(a) Financial Liabilities			
i) Trade payables			
a) Total Outstanding Dues of micro enterprises and small enterprises	21	8.22	11.98
b) Total Outstanding Dues of Creditors other than micro enterprises and small enterprises	21	200.05	165.47
ii) Other Financial Liabilities	22	3.32	3.03
(b) Other Current Liabilities	23	22.46	20.75
(c) Provisions	19	5.82	30.47
(d) Current Tax Liabilities (Net)		21.32	8.00
		261.19	**239.70**
		329.33	**282.15**
TOTAL EQUITY AND LIABILITIES		**2,769.00**	**2,476.05**

See accompanying notes to the Standalone Financial Statements

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration No. 117366W/W-100018

R. A. Banga
Partner
Membership No. 037915

Pune : 29th May, 2019

For and behalf of Board of Directors of Finolex Cables Limited

D. K. Chhabria
Executive Chairman

M. Viswanathan
Dy. Managing Director &
Chief Financial Officer

P. G. Pawar
Director

R.G. D'Silva
Company Secretary &
President (Legal)

Pune : 29th May, 2019

Standalone Statement of Profit and Loss

for the year ended 31st March, 2019

(Rs. In Crore)

		Note No.	Year Ended 31st March, 2019	Year Ended 31st March, 2018
I	Revenue from operations	24	3,077.79	2,884.23
II	Other income	25	121.83	127.40
III	**Total income**		**3,199.62**	**3,011.63**
IV	**EXPENSES**			
	(a) Cost of material consumed	26	2,292.09	2,029.98
	(b) Purchase of stock-in-trade		45.88	36.11
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	27	(73.03)	(31.91)
	(d) Excise duty	24	-	69.11
	(e) Employee benefits expenses	28	140.70	135.46
	(f) Finance Costs	29	0.92	1.44
	(g) Depreciation and amortization expenses	30	40.55	43.80
	(h) Other Expenses	31	220.65	223.16
	Total Expenses		**2,667.76**	**2,507.15**
V	**Profit before Tax**		**531.86**	**504.48**
VI	**Tax Expenses**			
	(a) Current Tax	20	165.68	131.66
	(b) Deferred tax	20	22.09	14.62
	Total Tax		**187.77**	**146.28**
VII	**Profit for the year**		**344.09**	**358.20**
VIII	**Other comprehensive income / (expense)**			
	A. Items that will not be reclassified to profit or loss			
	(i) Re-measurement gain/ (loss) on defined benefit plans		(3.42)	(0.21)
	(ii) Fair value change on equity instruments		(19.83)	15.72
	(iii) Income tax relating to these items		(1.32)	(2.04)
	B. Items that will be reclassifed to profit or loss		-	-
	Total Other Comprehensive Income/(Expense) for the year		**(24.57)**	**13.47**
IX	**Total comprehensive income for the year**		**319.52**	**371.67**
X	**Earnings per equity share of face value of Rs. 2 each**			
	(i) Basic	37	22.50	23.42
	(ii) Diluted	37	22.50	23.42
See accompanying notes to the Standalone Financial Statements				

In terms of our report attached

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Chartered Accountants
Firm Registration No. 117366W/W-100018

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P. G. Pawar
Director

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Company Secretary &
President (Legal)

Pune : 29th May, 2019

Statement of Standalone Cash Flows

for the year ended 31st March, 2019

(Rs. In Crore)

	Year Ended 31st March, 2019		Year Ended 31st March, 2018	
A. Cash flows from operating activities				
Profit for the year		**531.86**		**504.48**
Adjustments for :				
Finance Costs	0.92		1.44	
Interest income on financial assets carried at amortised cost	(4.20)		(8.61)	
Dividend income	(40.79)		(46.73)	
Net gain/(Loss) on fair value changes of investments classified at FVTPL	(67.61)		(47.26)	
Allowance for Doubtful Debts and Advances (Net)	4.68		1.97	
Warranty Costs	(0.72)		0.04	
Depreciation and Amortisation Expenses	40.55		43.80	
Provision other-Duties / Taxes	(22.16)		(5.48)	
Impairment of Financial assets -Investment in Joint Venture	18.17		18.48	
Loss/(gain) on sale of property,plant and equipment	3.85		0.30	
		(67.31)		**(42.05)**
		464.55		**462.43**
Working Capital Adjustments				
Adjustments for (increase) / decrease in operating assets:				
Trade Receivables	(40.64)		(52.50)	
Inventories	(88.14)		(37.05)	
Other Current Assets	(47.77)		(13.11)	
Other Financial Assets (Current and Non-Current)	(0.07)		24.50	
Other Non Current Assets	(2.00)		9.50	
Loan-Non current	(0.07)		0.45	
		(178.69)		**(68.21)**
		285.86		**394.22**
Adjustments for increase / (decrease) in operating liabilities:				
Trade Payables	30.82		(10.84)	
Long term / Short Term Provisions	(2.74)		0.87	
Other Current Liabilities	1.71		(13.62)	
Other Financial Liabilities (Current and Non - Current)	(0.03)		(0.26)	
Other Non Current Liabilities	-		(0.19)	
		29.76		**(24.04)**
Cash generated from operations		315.62		370.18
Income Tax paid		(161.56)		(134.50)
Net cash generated from operating activities		**154.06**		**235.68**
B. Cash Flow from Investing Activities				
Dividend received	40.79		46.73	
Other bank balances	24.32		116.70	
Interest received - Others	6.56		13.71	
Purchase of Investments (Mutual Funds)	(2,800.41)		(2,621.01)	
Proceed from sale of investments	2,681.84		2,362.27	
Purchase of investment in joint ventures	(18.87)		(15.92)	
Purchase of PPE	(44.32)		(36.94)	
Proceed from sale of Fixed Assets	0.06		-	
Net cash (used in) investing activities		**(110.03)**		**(134.46)**

Statement of Standalone Cash Flows (Cont.)

for the year ended 31st March, 2019

(Rs. In Crore)

	Year Ended 31st March, 2019		Year Ended 31st March, 2018	
C. Cash flows from Financing Activities				
Other long term borrowings repaid	(0.29)		(0.40)	
Dividends paid	(60.74)		(45.57)	
Dividend tax paid	(12.57)		(9.34)	
Interest and Other Borrowing Costs	(0.92)		(1.44)	
Net cash (used in) financing activities		**(74.52)**		**(56.75)**
Net Increase /(Decrease) in cash and cash equivalents		**(30.49)**		**44.47**
Cash and Cash Equivalents as at 1st April (Opening Balance)		**76.87**		**32.40**
Cash and Cash Equivalents as at 31 March (Closing Balance)		**46.38**		**76.87**

Notes:

1 Cash and Cash Equivalents include:

(Rs. In Crore)

	As at 31st March, 2019	As at 31st March, 2018
(a) Cash on hand	0.01	0.01
(b) Balances with banks		
In current accounts	46.37	76.86
Cash and Cash Equivalents	**46.38**	**76.87**

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration No. 117366W/W-100018

R. A. Banga
Partner
Membership No. 037915

Pune : 29th May, 2019

For and behalf of Board of Directors of Finolex Cables Limited

D. K. Chhabria
Executive Chairman

P. G. Pawar
Director

M. Viswanathan
Dy. Managing Director &
Chief Financial Officer

R.G. D'Silva
Company Secretary &
President (Legal)

Pune : 29th May, 2019

Standalone Statement of Changes in Equity

for the year ended 31st March, 2019

A) Equity Share Capital

(Rs. In Crore)

	No. of shares	Amount
Balance as at 1st April, 2017	**152,939,345**	**30.59**
Issued during the year	-	-
Balance as at 31st March, 2018	**152,939,345**	**30.59**
Issued during the year	-	-
Balance as at 31st March, 2019	**152,939,345**	**30.59**

B) Other Equity

(Rs. In Crore)

Description	Reserve and surplus					Item of Other Comprehensive Income	Total
	Securities Premium	Capital Reserve	General Reserve	Share Buyback Reserve	Retained Earnings	Equity Instrument through Other Comprehensive Income	
Balance as at 1st April, 2017	**109.10**	**8.41**	**552.36**	**5.52**	**1,079.39**	**92.07**	**1,846.85**
Profit for the year	-	-	-	-	358.20	-	358.20
Other Comprehensive Income/ (Expense) for the year (Net of Tax)	-	-	-	-	(0.21)	13.68	13.47
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**357.99**	**13.68**	**371.67**
Dividend Paid	-	-	-	-	(45.87)	-	(45.87)
Dividend Distribution Tax	-	-	-	-	(9.34)	-	(9.34)
Balance as at 31st March, 2018	**109.10**	**8.41**	**552.36**	**5.52**	**1,382.17**	**105.75**	**2,163.31**
Balance as at 1st April, 2018	109.10	8.41	552.36	5.52	1,382.17	105.75	2,163.31
Profit for the year	-	-	-	-	344.09	-	344.09
Other Comprehensive Income/ (Expense) for the year (Net of Tax)	-	-	-	-	(2.24)	(22.33)	(24.57)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**341.85**	**(22.33)**	**319.52**
Dividend Paid	-	-	-	-	(61.18)	-	(61.18)
Dividend Distribution Tax	-	-	-	-	(12.57)	-	(12.57)
Balance as at 31st March, 2019	**109.10**	**8.41**	**552.36**	**5.52**	**1,650.27**	**83.42**	**2,409.08**

See accompanying notes to the Standalone Financial Statements

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration No. 117366W/W-100018

R. A. Banga
Partner
Membership No. 037915

Pune : 29th May, 2019

For and behalf of Board of Directors of Finolex Cables Limited

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Director

R.G. D'Silva
Company Secretary &
President (Legal)

Pune : 29th May, 2019

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

1. Corporate information

The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges (i.e. BSE & NSE) in India. The registered office of the Company is located at 26/27, Mumbai-Pune Road, Pimpri, Pune 411018 (India). The Company is principally engaged in the manufacturing of Electricals Cables, Communication Cables & other electrical appliances.

These standalone financial statements for the year ended 31st March, 2019 were approved for issue by the Board of Directors in accordance with their resolution dated 29th May, 2019.

2. Summary of Significant Accounting Policies

2.1 Basis of preparation & presentation and Statement of Compliance

These standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

These financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which have been measured at fair value.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The standalone financial statements are presented in INR and all values are rounded to the nearest Crore in two digits, except where otherwise indicated.

2.2 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires the management of the Company to make estimates judgements and assumptions. These estimates, judgements and assumptions affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, useful lives of property, plant and equipment, provisions and contingent liabilities and fair value measurement of financial instruments. Key source of estimation of uncertainty in respect of employee benefits and measurement of deferred tax assets have been discussed in their respective policies.

2.3 Critical accounting estimates

i) Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The policy for the same has been explained under Note 2.11.

ii) Impairment of Investments

The Company reviews its carrying value of investments in associates and joint ventures carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

iii) Provisions

Provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date adjusted to

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

reflect the current best estimates. The policy for the same has been explained under Note 2.16.

iv) Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The policy has been further explained under note 2.18.

2.4 Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when it is:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets or liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.5 Revenue recognition

Effective April 1, 2018, the Company adopted Ind-AS 115 "Revenue from Contracts with Customers" using the cumulative catch up transition method, applied to contracts that were not completed as of 1st April, 2018. In accordance with the cumulative catch up transition method, the comparatives have not been retrospectively adjusted.
The effect on adoption of Ind-AS 115 was insignificant.

Sale of goods

Revenue from the sale of goods is recognized at point in time when control of the goods is transferred to the customer, usually on delivery of the goods, customer acceptance and other indicators of transfer of control of goods to the customer. Revenue from sale of goods is measured at an amount that reflects the consideration ("transaction price") expected to be received in exchange for those goods.

Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividends

Revenue is recognized when the Company's right to receive the dividend is established, which is generally when shareholders approve the dividend.

2.6 Foreign Currencies

The Functional Currency of the company is in the Indian rupee. Transactions in foreign currencies are

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

recorded at the exchange rate prevailing on the date of the transaction. Realised gains and losses as well as exchange differences arising on translation (at year end exchange rates) of monetary assets and monetary liabilities outstanding at the end of the year are recognised in the statement of Profit and Loss.

Non-monetary assets and liabilities that all are measured in terms of historical cost in foreign currencies are not retranslated.

2.7 Government Grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grant will be received. Government grants relating to income are determined and recognised in the statement of profit and loss over the period necessary to match them with the cost that they are intended to compensate and presented within other income. Government grants relating to the purchase of property, plant and equipment are reduced from the cost of the assets. The benefit of a Government loan at a below market rate of interest is treated as a Government grant, measured as the difference between proceeds received and the fair value of loan based on prevailing market interest rates.

2.8 Employee Benefits

2.8.1 Defined contribution plans

(a) Provident Fund

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or reduction in the future payments is available.

(b) Superannuation:

Superannuation fund, which are defined contribution schemes, are charged to the Statement of Profit and Loss on accrual basis. The Company has no further obligations for future superannuation fund benefits other than its annual contributions.

(c) Employees state insurance scheme (ESIC):

The company pays ESIC contribution to Employee State Insurance Corporation of India as per ESIC Act 1948. The Company has no further obligations other than its monthly contributions.

2.8.2 Defined benefits plans (Gratuity)

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans. A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

2.8.3 Compensated absences:

The Company provides for the compensated absences subject to Company's certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment or availment. The liability is provided based on the number of days of un-availed leave at each Balance

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

Sheet date on the basis of an independent actuarial valuation using the Projected Unit Credit method. The liability which is not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised based on actuarial valuation as at the Balance Sheet date. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss in the period in which they occur.

2.9 Leases:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

i. Finance lease

Where the Company, as a lesser, leases assets under finance lease, such amounts are recognized as receivables at an amount equal to the net investment in the lease and the finance income is based on constant rate of return on the outstanding net investment. Assets taken on finance lease are initially recognized as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance costs and reduction of outstanding liability. Finance costs are recognized as an expense in the statement of profit or loss over the period of lease, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with Company's general policy on borrowing costs.

ii. Operating lease

Lease arrangements under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease rental under operating lease are recognized in the Statement of Profit and Loss on a straight line basis over the lease term.

2.10 Income Taxes

Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India where it generates taxable income.Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Taxes

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

For operations carried out under tax holiday period (80IA benefits of Income Tax Act, 1961), deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

2.11 Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use and for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Depreciation commences when the assets are ready for their intended use. Freehold land and Assets held for sale are not depreciated.

Depreciation is provided for property, plant and equipment so as to expense the cost less residual value over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual value are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

The estimated useful lives in respect of Property, plant and equipment are mentioned below:

Asset Class	Useful Life Adopted (Years)	Useful Life as per Schedule –II (Years)
Plant & Machinery	10 to 25*	15
Solar Plant	25	NA
Buildings-Factory	30	30
Buildings-Others	60	60
Furniture & Fittings	10	10
Office Equipments	5	5
Computers & Peripherals	3 to 6	3 to 6
Vehicles	8	8
Dies & Moulds	6*	8

*As evaluated by internal technical personnel

2.12 Intangible Assets

Intangible assets acquired separately are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the statement of profit or loss in the period in which the expenditure is incurred.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

The amortization policy applied to the Company's intangible assets to the extent of depreciable amount is, as follows:

Particulars	Amortisation
Computer Software	Over a period of 5 years

2.13 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurred in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.14 Assets Held For Sale

Non-current assets held for sale are measured at the lower of their carrying value and fair value of the assets

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for the year ended 31st March, 2019

less costs to sale. Assets and liabilities classified as held for sale are presented separately in the balance sheet. Property, plant and equipment once classified as held for sale are not depreciated/ amortised.

2.15 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of inventories is determined on weighted average. Cost for this purpose includes cost of direct materials, direct labour, appropriate share of overheads. Net realisable value represents the estimated selling price in the ordinary course of business less all estimated costs of completion and estimated costs necessary to make the sale.

Obsolete, defective, unserviceable and slow / non-moving stocks are duly provided for and valued at net realisable value.

2.16 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

2.16.1Warranty Provisions

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the Company's best estimate of the expenditure required to settle the Company's obligation.

2.17 Financial Assets and Financial Liabilities

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

2.18 Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.18.1 Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.18.2Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

2.18.3Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

2.18.4 Investment in Joint Ventures and Associates

Investment in joint ventures and associates are measured and stated at cost less impairment as per Ind AS 27 - Separate Financial Statements.

2.18.5Impairment of financial assets (other than financial assets at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes life time expected losses for all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

2.19 Financial liabilities and equity instruments

2.19.1 Classification as debt or equity

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.19.2 Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognized in statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.19.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

2.20 Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately.

2.21 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

2.22 Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

2.23 Impairment of assets

Assets are tested for impairment whenever changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in used. For the purposes of assessing impairment, assets are grouped at the lower levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversals of the impairment at the end of each reporting period.

2.24 Recent accounting pronouncement

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

Ind AS 116 Leases:

Ind AS 116 Leases was notified in March 2019 and it replaces Ind AS 17 Leases. Ind AS 116 is effective for annual periods beginning on or after 1st April, 2019. It sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Ind AS 116 requires lessees and lessors to make more extensive disclosures than under Ind AS 17. The Company is in the process of evaluating the requirements of the standard and its impact on its financial statements.

Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in statement of profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not expect this amendment to have any impact on its financial statements.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.

Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Company does not currently have any such long-term interests in associates and joint ventures.

Ind AS 103 – Business Combinations and Ind AS 111 - Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The Company does not currently have any such long-term interests in associates and joint ventures.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

Note 3 : Property, Plant and Equipment

(Rs. In Crore)

	Land	Lease hold Land	Buildings@	Plant and equipment	Furniture & Fittings	Office Equipment	Computers, Peripherals	Vehicles	Total
Cost									
Balance as at 1st April, 2018	29.96	15.30	167.97	322.00	2.30	2.94	2.51	5.04	548.02
Additions	5.10	-	1.49	32.10	0.09	0.39	0.42	0.09	39.68
(Disposals)	-	-	-	(5.93)	-	-	(0.02)	(1.14)	(7.09)
Balance as at 31st March, 2019	**35.06**	**15.30**	**169.46**	**348.17**	**2.39**	**3.33**	**2.91**	**3.99**	**580.61**
Accumulated Depreciation & Impairment									
Balance as at 1st April, 2018	-	0.50	20.48	114.55	0.79	1.51	0.59	1.60	140.02
Depreciation expense for the year	-	0.16	6.62	31.50	0.24	0.39	0.62	0.74	40.27
(Disposals)	-	-	-	(2.13)	-	-	(0.01)	(1.04)	(3.18)
Balance as at 31st March, 2019	**-**	**0.66**	**27.10**	**143.92**	**1.03**	**1.90**	**1.20**	**1.30**	**177.11**
Net Carrying Amount as at 31st March, 2019	**35.06**	**14.64**	**142.36**	**204.25**	**1.36**	**1.43**	**1.71**	**2.69**	**403.50**

(Rs. In Crore)

	Land	Lease hold Land	Buildings@	Plant and equipment	Furniture & Fittings	Office Equipment	Computers, Peripherals	Vehicles	Total
Cost									
Balance as at 1st April, 2017	13.88	15.30	167.47	307.05	2.29	2.15	2.35	4.84	515.33
Additions	16.08	-	0.50	20.20	0.01	0.79	0.31	0.33	38.22
(Disposals)	-	-	-	(5.25)	-	-	(0.15)	(0.13)	(5.53)
Balance as at 31st March, 2018	**29.96**	**15.30**	**167.97**	**322.00**	**2.30**	**2.94**	**2.51**	**5.04**	**548.02**
Accumulated Depreciation & Impairment									
Balance as at 1st April, 2017	-	0.33	13.76	84.91	0.49	1.13	0.07	0.97	101.66
Depreciation expense for the year	-	0.17	6.72	34.65	0.30	0.38	0.65	0.72	43.59
(Disposals)	-	-	-	(5.01)	-	-	(0.13)	(0.09)	(5.23)
Balance as at 31st March, 2018	-	0.50	20.48	114.55	0.79	1.51	0.59	1.60	140.02
Net Carrying Amount as at 31st March, 2018	**29.96**	**14.80**	**147.49**	**207.45**	**1.51**	**1.43**	**1.92**	**3.44**	**408.00**

Note: @ Buildings include Rs. * crore being cost of ordinary shares in co-operative housing societies.

* Denotes amount less than Rs. 50,000

Note 4 : Intangible Assets

(Rs. In Crore)

	Computer Software $
Cost	
Balance as at 1st April, 2018	**1.51**
Additions	-
(Disposals)	
Balance as at 31st March, 2019	**1.51**
Accumulated Amortisation & Impairment	
Balance as at 1st April, 2018	**0.52**
Amortisation expenses for the year	0.28
(Disposals)	-
Balance as at 31st March, 2019	**0.80**
Net Carrying Amount as at 31st March, 2019	**0.71**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

(Rs. In Crore)

	Computer Software $
Cost	
Balance as at 1st April, 2017	**1.51**
Additions	-
(Disposals)	-
Balance as at 31st March, 2018	**1.51**
Accumulated Amortisation & Impairment	
Balance as at 1st April, 2017	**0.31**
Amortisation expenses for the year	0.21
(Disposals)	-
Balance as at 31st March, 2018	**0.52**
Net Carrying Amount as at 31st March, 2018	**0.99**

Note : $ Other than internally generated intangible assets.

Note 5 : Investment in Associates & Joint Ventures- Non-Current

Measured at cost

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
	(i) Equity shares Quoted		
40,192,597	Equity Shares of Rs. 10 each fully paid in Finolex Industries Limited (Previous Year 40,192,597)	151.85	151.85
	(ii) Equity shares Unquoted		
152,635,000	Equity Shares of Rs.10 each fully paid in Finolex J-Power Systems Private Limited (Previous Year 133,770,000)	152.64	133.77
	Less: Provision for Impairment in value of Investments	(100.63)	(82.46)
1,750,000	Equity Shares of Rs.10 each fully paid in Corning Finolex Optical Fibre Private Limited (Previous Year 1,750,000)	1.75	1.75
	Total	**205.61**	**204.91**
	Aggregate carrying value of Quoted Investment	151.85	151.85
	Aggregate market Value of Quoted Investment	2,015.26	2,617.74
	Aggregate carrying value of Unquoted Investment	154.39	135.52
	Aggregate value of impairment in value of assets	(100.63)	(82.46)
	Aggregate carrying value of Unquoted Investment net of impairment	53.76	53.06

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

Note 5.1 : Disclosure as per Ind-AS 27

	Name of investees	The principal place of business and country of incorporation	Proportion of the ownership interest and proportion of the voting rights
(I)	**Associates**		
	Finolex Industries Limited	India	**32.39%**
(II)	**Joint Venture**		
	Finolex J-Power Systems Private Limited	India	**49.00%**
	Corning Finolex Optical Fibre Private Limited	India	**50.00%**

Note 5.2 : Disclosure as per Ind-AS 36, on Impairment of Investments in Joint Ventures

The Company's investment in Finolex J-Power Systems Private Ltd, (FJPS) is long term and strategic in nature. FJPS is engaged in manufacturing and sale of extra high voltage power cables. The operations of FJPS continued to be adversely impacted by economic slowdown and has continued to incur losses, resulting in its net worth being partially eroded. The management expects improvement in operations of FJPS upon revival of the economic environment and along with the Joint Venture partner, continues to support FJPS operations by infusion of equity as required.

Considering the above, the Company had in accordance with Ind AS - 36 "Impairment of Assets" carried out impairment assessment of its investment in FJPS by comparing its recoverable amount (enterprise value) with its carrying amount as at 31st March, 2019.

The recoverable amount of the investment in FJPS is assessed based on future discounted cash flows of FJPS (enterprise value).

During the year the Company had recorded further impairment of Rs. 18.17 crore (total impairment Rs. 100.63 crore upto 31st March, 2019).

Key assumptions used for value in use to determine the recoverable value are:

1- Discount rate - Weighted Average Cost of Capital (WACC) - 14 % (Previous year 14%)

2- Terminal growth rate 5 % (Previous year 4 %)

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

Note 6 : Other Investments - Non-Current

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
a) Investments at fair value through Other Comprehensive Income (FVTOCI) (fully paid)			
	i) Equity shares- Quoted		
61,000	Equity Shares of Rs. 2 each fully paid in Bharat Forge Limited (Previous Year 61,000)	3.12	4.27
358,500	Equity Shares of Rs. 10 each fully paid in IndusInd Bank Limited (Previous Year 358,500)	63.89	64.37
168,750	Equity Shares of Rs.5 each fully paid in BF Utilities Limited (Previous Year 168,750)	3.30	6.48
168,750	Equity Shares of Rs.5 each fully paid in BF Investment Limited (Previous Year 168,750)	4.48	4.73
300	Equity Shares of Rs. 10 each fully paid in Delton Cables Limited (Previous Year 300)	*	*
25,096	Equity Shares of Rs. 2 each fully paid in ICICI Bank Limited (Previous Year 25,096)	1.00	0.70
200,000	Equity Shares of Rs. 5 each fully paid in Kirloskar Ferrous Limited (Previous Year 200,000)	1.95	1.69
100	Equity Shares of Rs. 2 each fully paid in Nicco Corporation Limited (Previous Year 100)	*	*
100	Equity Shares of Re. 1 each fully paid in Usha Martin Education & Solutions Limited (Previous Year 100)	*	*
	Total Equity shares - Quoted (i)	**77.74**	**82.24**
	ii) Equity shares Unquoted		
1,000,000	Equity Shares of Rs. 10 each fully paid in Finolex Plasson Industries Pvt Limited (Previous Year 1,000,000)	16.10	11.25
1,000	Equity shares of Rs.10 each fully paid up in the Saraswat Co-op Bank Ltd.(Previous year 1,000)	*	*
967,700	Equity Shares of Rs. 10 each fully paid in SICOM India Limited (Previous Year 967,700)	0.84	21.02
5,373,938	Equity Shares of Rs.10 each fully paid in Finolex Infrastructure Limited (Previous Year 5,373,938)	8.58	8.58
	Total Equity shares -Unquoted (ii)	**25.52**	**40.85**
	Total FVTOCI Investments (i+ii)	**103.26**	**123.09**
b) Investments at fair value through Profit & Loss (FVTPL)			
	Investment in Fixed Maturity Plan - Unquoted		
5,000,000	Units of Rs. 10 each of Axis Fixed Term Plan Series 102 (1,133 Days) - Growth (Previous Year Rs. Nil)	5.06	-
7,500,000	Units of Rs. 10 each of Franklin India Fixed Maturity Plan-Series 1 Plan A - Growth (Previous Year 7,500,000)	8.58	7.98
10,000,000	Units of Rs. 10 each of Franklin India Fixed Maturity Plan-Series 2 Plan A - Growth (Previous Year 10,000,000)	10.85	10.14

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for the year ended 31st March, 2019

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
5,000,000	Units of Rs. 10 each of Franklin India Fixed Maturity Plan-Series 6 Plan C (1,169 Days) - Growth (Previous Year Nil)	5.03	-
5,000,000	Units of Rs.10 each of HDFC FMP - 1,133 Days -Feb 2019 (1) - Regular -Growth-Series 44 (Previous Year Nil)	5.07	-
5,000,000	Units of Rs. 10 each of HDFC FMP - 1,126 Days -Mar 2019 (1) - Regular -Growth-Series 44 (Previous Year Nil)	5.05	-
10,000,000	Units of Rs. 10 each of Birla Sun Life Fixed Term Plan-Series OF (1151 Days)-Growth-Regular Plan (Previous Year 10,000,000)	11.27	10.77
10,000,000	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series OX (1234 Days)-Growth-Regular Plan (Previous Year 10,000,000)	10.92	10.17
2,500,000	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PB (1190 Days)-Growth-Regular Plan (Previous Year 2,500,000)	2.72	2.54
2,500,000	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PD (1177 Days)-Growth-Regular Plan (Previous Year 2,500,000)	2.72	2.53
2,500,000	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PE (1159 Days)-Growth-Regular Plan (Previous Year 2,500,000)	2.71	2.53
2,500,000	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PH (1143 Days)-Growth-Regular Plan (Previous Year 2,500,000)	2.70	2.52
10,000,000	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series SI (1,141 Days)-Regular -Growth (Previous Year Nil)	10.12	-
5,000,000	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series SJ (1,135 Days)-Regular -Growth (Previous Year Nil)	5.04	-
10,000,000	Units of Rs. 10 each of ICICI Prudential Fixed Maturity Plan-Series 80 - 1245 Days Plan L Cumulative (Previous Year 10,000,000)	11.59	10.75
2,500,000	Units of Rs. 10 each of ICICI Prudential Fixed Maturity Plan-Series 82 - 1185 Days Plan A Cumulative (Previous Year 2,500,000)	2.72	2.52
5,000,000	Units of Rs. 10 each of ICICI Fixed maturity plan Series 82-1236 days-plan A Cumulative (Previous Year 5,000,000)	5.47	5.09
10,000,000	Units of Rs. 10 each of ICICI Fixed Maturity Plan Series 85 - 1,156 Days -Plan G Cumulative (Previous Year Nil)	10.10	-
12,500,000	Units of Rs. 10 each of IDFC Fixed Term Plan Series 131 Regular Plan - Growth (Previous Year 12,500,000)	14.34	13.35
10,000,000	Units of Rs. 10 each of Kotak FMP Series 200 Growth (Regular Plan) (Previous Year 10,000,000)	11.46	10.70
46,830	Units of Rs. 1,000 each of Invesco India Money Market Fund - Growth Option (Previous Year Nil)	10.00	-
10,000,000	Units of Rs. 10 each of Kotak FMP Series 263 -Growth (Regular Plan) (Previous Year Nil)	10.11	-
10,000,000	Units of Rs. 10 each of Kotak FMP Series 265 -Growth (Regular Plan) (Previous Year Nil)	10.07	-
5,000,000	Units of Rs. 10 each of Reliance Fixed Horizon Fund-XLI-Series 1 - Growth Plan (Previous Year Nil)	5.04	-

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
10,000,000	Units of Rs. 10 each of Reliance Fixed Horizon Fund - XXXIII- Series 3- Growth Plan (Previous Year 10,000,000)	11.57	10.74
10,000,000	Units of Rs. 10 each of Reliance Fixed Horizon Fund - XXXIII- Series 4- Growth Plan (Previous Year 10,000,000)	11.57	10.73
10,000,000	Units of Rs. 10 each of Reliance Fixed Horizon Fund - XXXVI- Series 7- Growth Plan (Previous Year 10,000,000)	10.90	10.16
2,500,000	Units of Rs. 10 each of Reliance Fixed Horizon Fund - XXXV- Series 14 (1214 Days)- Growth Plan (Previous Year 2,500,000)	2.72	2.54
2,500,000	Units of Rs. 10 each of Reliance Fixed Horizon Fund - XXXV- Series 15 (1207 Days)- Growth Plan (Previous Year 2,500,000)	2.72	2.54
10,000,000	Units of Rs. 10 each of SBI Debt Fund Series - B -49 (1170 Days) - Regular Growth (Previous Year 10,000,000)	11.47	10.70
5,000,000	Units of Rs. 10 each of SBI Debt Fund Series - C -7 (1190 Days) - Regular Growth (Previous Year 5,000,000)	5.42	5.08
2,500,000	Units of Rs. 10 each of SBI Debt Fund Series - C - 9 (1150 Days) - Regular Growth (Previous Year 2,500,000)	2.71	2.53
10,000,000	Units of Rs. 10 each of SBI Debt Fund Series - C - 48 (1,177 Days) - Regular Growth (Previous Year Nil)	10.06	-
5,000,000	Units of Rs. 10 each of L&T FMP Series 16 - Plan A (1233 Days) - Growth (Previous Year 5,000,000)	5.46	5.09
5,000,000	Units of Rs. 10 each of UTI Fixed Term Income Fund Series - XXVII - IV (1204 Days) - Growth Plan (Previous Year 5,000,000)	5.45	5.08
10,000,000	Units of Rs. 10 each of UTI Fixed Term Income Fund Series - XXVI - V (1160 Days) - Growth Plan (Previous Year 10,000,000)	11.55	10.74
2,500,000	Units of Rs. 10 each of UTI Fixed Term Income Fund Series - XXVI - IX (1161 Days) - Growth Plan (Previous Year 2,500,000)	2.71	2.52
2,500,000	Units of Rs. 10 each of UTI Fixed Term Income Fund Series - XXVII - IV (1190 Days) - Growth Plan (Previous Year 2,500,000)	2.72	2.54
2,500,000	Units of Rs. 10 each of UTI Fixed Term Income Fund Series - XXVIII (1171 Days) - Growth Plan (Previous Year 2,500,000)	2.72	2.54
5,000,000	Units of Rs. 10 each of UTI Fixed Term Income Fund Series XXXI - X (1,168 days) Regular Growth Plan (Previous Year Nil)	5.03	-
10,000,000	Units of Rs. 10 each of DSP Black Rock FMP-Series 204 (37M)-Regular Plan-Growth (Previous Year 10,000,000)	11.51	10.72
10,000,000	Units of Rs. 10 each of Sundaram Fixed Term Plan IS - Regular Plan-Growth Option (Previous Year Nil)	10.05	-
	Total Investment at FVTPL	**305.08**	**185.84**
	Total Other Investment 6=(a+b)	**408.34**	**308.93**
	Aggregate carrying value and Market Value of Quoted Investment	**77.74**	**82.24**
	Aggregate carrying value of Unquoted Investment	**330.60**	**226.69**

* Denotes amount less than Rs. 50,000

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

Note 7 : Current Investments

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
Investments at fair value through profit or loss (FVTPL)			
	Investments in Mutual Funds / Fixed Maturity Plan (FMP) - Unquoted		
252,116	Units of Rs. 1,000 each of Axis Liquid Fund-Growth (Previous Year 254,076)	52.06	48.80
-	Units of Rs. 1,000 each of Axis Treasury Advantage Fund - Growth (Previous Year 27,532)	-	5.33
1,595,768	Units of Rs. 100 each of Birla Sun Life Cash Plus-Growth-Regular Plan (Previous Year 1,551,663)	47.71	43.17
599,338	Units of Rs. 100 each of Aditya Birla Sun Life Money Manager Fund - Growth-Regular Plan (Previous Year Nil)	15.00	-
-	Units of Rs. 1,000 each of SBI Ultra Short Term Debt Fund - Regular Plan - Growth (Previous Year 47,609)	-	10.67
-	Units of Rs. 10 each of SBI Magnum Insta Cash Fund-Liquid Floater-Regular Plan-Growth (Previous Year 8,709)	-	2.51
11,123,872	Units of Rs.10 each of Sundaram Money Fund- Regular-Growth (Previous Year 7,463,652)	43.64	27.24
-	Units of Rs. 10 each of Reliance Monthly Interval Fund -Series II-Growth Plan-Growth Option (Previous Year 1,096,193)	-	2.52
-	Units of Rs. 10 each of Kotak FMP Series 218 - Growth-Regular Plan (Previous Year 2,500,000)	-	2.52
143,919	Units of Rs. 1,000 each of L&T Liquid Fund - Regular - Growth (Previous Year 89,917)	36.75	21.36
-	Units of Rs.10 each of Reliance Quarterly Interval Fund -Series II -Direct Plan - Growth Plan (Previous Year 2,116,169)	-	5.05
-	Units of Rs. 10 each of IDFC Yearly Series Interval Fund - Regular Plan - Series II -Growth (Previous Year 1,669,384)	-	2.52
142,354	Units of Rs. 1,000 each of DSP Liquidity Fund-Institutional Plan-Growth (Previous Year 204,747)	37.85	50.65
2,729,042	Units of Rs. 10 each of DSP Savings Fund - Regular Plan - Growth (Previous Year Nil)	10.00	-
150,327	Units of Rs.1,000 each of Franklin India Treasury Management Account-Super Institutional Plan-Growth (Previous Year 128,708)	41.91	33.35
-	Units of Rs. 10 each of Franklin India Ultra Short Bond Fund - Super Institutional Plan - Growth (Previous Year 2,245,728)	-	5.40
4,368,097	Units of Rs. 10 each of Franklin India Savings Fund - Retail Option - Growth (Previous Year Nil)	15.00	-
94,980	Units of Rs.1,000 each of HDFC Liquid Fund - Growth (Previous Year 113,058)	34.77	38.56
-	Units of Rs.10 each of HDFC FMP 92D February 2018 (1) -Regular-Growth- Series 39 (Previous Year 2,500,000)	-	2.52
-	Units of Rs. 10 each of HDFC FMP 92D March 2018 -Regular- Growth-Series 39 (Previous Year 2,500,000)	-	2.51
38,614	Units of Rs. 10 each of HDFC Money Market Fund - Regular Plan - Growth (Previous Year Nil)	15.00	-
26,964	Units of Rs.1,000 each of HSBC Cash Fund - Growth (Previous Year Nil)	5.00	-

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
1,440,872	Units of Rs. 100 each of ICICI Prudential Liquid Plan- Growth (Previous Year 2,135,712)	39.68	54.76
-	Units of Rs. 100 each of ICICI Prudential Flexible Income- Growth (Previous Year 321,193)	-	10.71
-	Units of Rs. 10 each of ICICI Prudential Fixed Maturity Plan-Series 82 - 103 Days Plan O Cumulative (Previous Year 2,500,000)	-	2.52
579,745	Units of Rs. 10 each of ICICI Pru Money Market Fund - Growth (Previous Year Nil)	15.01	-
176,228	Units of Rs. 1,000 each of IDFC Cash Fund -Growth-Regular Plan (Previous Year 183,027)	39.78	38.50
1,736,593	Units of Rs. 10 each of IDFC Money Manager Fund - Growth - Regular Plan (Previous Year Nil)	5.00	-
7,028,228	Units of Rs.10 each of JM High Liquidity Fund-Growth (Previous Year 8,269,899)	35.80	39.18
3,127,737	Units of Rs. 10 each of L&T Money Market Fund - Growth (Previous Year Nil)	5.78	-
64,194	Units of Rs.1,000 each of Kotak Liquid Regular Plan -Growth (Previous Year 72,959)	24.22	25.63
-	Units of Rs. 10 each of Kotak Treasury Advantage Fund-Growth (Regular Plan) (Previous Year 1,920,034)	-	5.34
48,770	Units of Rs. 1,000 each of Kotak Money Market Scheme - Growth (Regular Plan) (Previous Year Nil)	15.01	-
-	Units of Rs. 10 each of L&T Floating Rate Fund - Growth (Previous Year 3,127,737)	-	5.38
122,129	Units of Rs. 1,000 each of LIC Nomura Liquid Fund-Regular Plan-Growth (Previous Year 101,432)	41.12	31.81
79,175	Units of Rs.1,000 each of Reliance Liquid Fund-Treasury Plan-Growth Plan - Growth Option (Previous Year 64,408)	35.94	27.19
-	Units of Rs.10 each of Reliance Yearly Interval Fund -Series 1 - Direct Plan - Growth Plan (Previous Year 7,718,670)	-	11.71
-	Units of Rs. 1,000 each of Reliance Money Manager Fund - Growth Plan -Growth Option (Previous Year 44,592)	-	10.68
53,151	Units of Rs. 1,000 each of Reliance Money Market Fund - Growth Plan - Growth Option (Previous Year Nil)	15.01	-
129,207	Units of Rs. 1,000 each of SBI Premier Liquid Fund-Regular Plan-Growth (Previous Year 163,407)	37.68	44.37
5,183,854	Units of Rs. 10 each of SBI Savings Fund - Regular Plan - Growth (Previous Year Nil)	15.00	-
53,662	Units of Rs. 1,000 each of Tata Liquid Fund-Regular Plan-Growth (Previous Year 152,467)	15.73	48.66
112,505	Units of Rs.1,000 each of UTI Liquid Cash Plan -Institutional-Growth (Previous Year 140,499)	34.31	39.86
71,468	Units of Rs. 1,000 each of UTI Money Market Fund- Regular Plan - Growth Option (Previous Year Nil)	15.00	-
72,225	Units of Rs. 1000 each of Tata Money Market Fund-Regular plan-growth (Previous Year Nil)	23.16	-
	Total Current Investments	**767.92**	**700.98**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

Note 8 : Loans -Non Current

(Unsecured, considered good)

(Rs. In Crore)

	As at 31st March, 2019	As at 31st March, 2018
(a) Security Deposits	3.82	3.75
	3.82	**3.75**

Note 9: Other Financial Assets

(Unsecured, considered good)

(Rs. In Crore)

	Non-Current		Current	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Carried at amortised cost				
(a) Fixed Deposit	0.22	-	-	-
(b) Fixed Deposit - Margin Money	-	0.55	0.40	-
(c) Interest accrued on Fixed Deposit	0.01	0.11	0.08	2.34
	0.23	**0.66**	**0.48**	**2.34**

Note 10 : Other Non-Current Assets

(Unsecured, considered good)

(Rs. In Crore)

	As at 31st March, 2019	As at 31st March, 2018
(a) Capital Advance (Net of Provision)	3.47	3.99
(b) Balances with Government Authorities		
(i) Sales Tax Receivables	15.35	13.38
(ii) Excise Duty Receivables	3.63	3.60
(iii) Other Receivables	0.52	0.52
	22.97	**21.49**

Note 11- Inventories

(Lower of cost and net realisable value unless stated)

(Rs. In Crore)

	As at 31st March, 2019	As at 31st March, 2018
(a) Raw materials	115.19	106.37
(b) Work in progress	159.84	106.81
(c) Finished goods	274.31	256.19
(d) Stock in Trade (in respect of goods acquired for trading)	13.66	11.78
(e) Stores & Spares	22.32	14.62
(f) Scrap	1.88	3.29
Total inventories	**587.20**	**499.06**
Included above, goods-in-transit:		
Raw materials	19.87	18.41
Total goods-in-transit	**19.87**	**18.41**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

Note 12 : Trade Receivables - (Unsecured)

(Rs. In Crore)

	As at 31st March, 2019	As at 31st March, 2018
Considered good	210.88	174.92
Considered doubtful	9.93	5.25
Total	**220.81**	**180.17**
Less: Allowances for credit Losses	9.93	5.25
	210.88	**174.92**

Note 12.1
Trade Receivables :
The average credit period for the Company's receivables is in the range of 30 to 60 days in respect of institutional sales and upto 190 days in case of sales to government owned entities. No interest is charged on trade receivables. Of the trade receivables balance as at 31st March, 2019, Rs. 142.87 crore (31st March, 2018 - Rs. 138.67 crore) is due from Bharat Sanchar Nigam Ltd, Bharat Broadband Nigam Ltd and Telecommunication Consultants India Ltd which represents Company's large customers. Apart from the above there are no customers which individually represents more than 5% of the total balance of trade receivables.

Expected credit loss

The Company assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The concentration of credit risk is limited due to the fact that the large customers are mainly government entities.

The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. Movement in the expected credit loss allowance:

(Rs. In Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	5.25	3.28
Movement in the expected credit loss allowance on trade receivables	4.68	1.97
calculated at lifetime expected credit losses (net)	-	-
Balance at the end of the year	**9.93**	**5.25**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

Note 13: Cash and Cash Equivalents

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
(a)	Balances with banks:		
	In Current Accounts	46.37	76.86
(b)	Cash on hand	0.01	0.01
	Total Cash and Cash Equivalents	**46.38**	**76.87**

Note 14: Other Bank Balances

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
(a)	In Earmarked Accounts		
	Unclaimed dividend	2.42	1.99
(b)	Fixed Deposits with maturity greater than 3 months but less than 12 months	-	24.75
	Total Bank balances	**2.42**	**26.74**

Note 15 : Other Current Assets

(Unsecured, considered good)

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
(a)	Goods & Services Tax Receivable	2.48	2.64
(b)	Government Grant Receivable	8.69	18.60
(c)	Balances with Government authorities	0.28	0.28
(d)	Other Advances	64.35	7.45
(e)	Prepaid Expenses	0.94	-
		76.74	**28.97**

Note 16 : Equity Share Capital

		As at 31st March, 2019		As at 31st March, 2018	
		Nos.	(Rs. In crore)	Nos.	(Rs. In crore)
I	**Authorised Share Capital**				
	235,000,000 (Previous year 235,000,000) Equity shares of Rs. 2/-each	235,000,000	47.00	235,000,000	47.00
	15,000,000 (Previous year 15,000,000) Unclassified shares of Rs. 2/- each	15,000,000	3.00	15,000,000	3.00
		250,000,000	**50.00**	**250,000,000**	**50.00**
II	**Issued, Subscribed and Paid up Share Capital**				
	Equity shares of Rs. 2 each issued, subscribed and fully paid	152,939,345	30.59	152,939,345	30.59

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	(Rs. In crore)	No. of Shares	(Rs. In crore)
(a) Reconciliation of Equity Shares at the beginning and at the end of the reporting period.				
Balance at the beginning of the year	152,939,345	30.59	152,939,345	30.59
Issued during the year	-	-	-	-
Outstanding at the end of the year	**152,939,345**	**30.59**	**152,939,345**	**30.59**

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 2 per share. Each holder of equity shares is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

On 29th May, 2019, the Board of Directors of the company have proposed a final dividend of Rs. 4.50 per share in respect of the year ended 31st March, 2019 subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in a cash outflow of Rs. 68.82 crore inclusive of dividend distribution tax of Rs. 14.15 crore.

	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	% Holding	No. of Shares	% Holding
(c) Details of shareholders holding more than 5% Shares in the company				
Finolex Industries Limited	22,187,075	14.51	22,187,075	14.51
Orbit Electricals Pvt. Limited	46,956,120	30.70	46,956,120	30.70
Franklin Templeton Mutual Fund	8,255,517	5.40	8,126,527	5.31

Note 17 : Other Equity

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
(i)	**Securities Premium**	109.10	109.10
(ii)	**Capital Reserve**	8.41	8.41
(iii)	**General Reserve**	552.36	552.36
(iv)	**Share buy back reserve**	5.52	5.52
(v)	**Retained Earnings**		
	Opening Balance	1,382.17	1,079.39
Add:	Other Comprehensive Income/(Expenses) arising from Remeasurement of Defined Benefit Obligation (Net of Tax)	(2.24)	(0.21)
	Profit for the year	344.09	358.20
Less:	Payment of dividend	(61.18)	(45.87)
	Dividend distribution tax	(12.57)	(9.34)
	Closing Balance	**1,650.27**	**1,382.17**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
(vi)	**Equity Instruments through Other Comprehensive Income**		
	Opening Balance	105.75	92.07
	Add: Change in Fair Value of Equity Instrument through other Comprehensive Income	(19.83)	15.72
	Add/Less: Deferred Tax	(2.50)	(2.04)
	Closing Balance	**83.42**	**105.75**
	Total	**2,409.08**	**2,163.31**

Nature and purpose :

Securities Premium :

Securities Premium is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

Capital Reserve

The Company recognises the difference on purchase, sale, issue or cancellation of Company's own equity instruments to Capital Reserve. Capital Reserve is utilised in accordance with the provisions of the Companies Act, 2013.

General Reserve:

General Reserve is used from time to time to transfer profits from Retained Earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General Reserve will not be reclassified subsequently to statement of profit and loss.

Share buy back reserve

During the earlier years, the Company had bought back its own equity out of free reserves. Share buy back reserve (Capital Redemption Reserve) represents amount set-aside in respect of nominal value of the shares bought back as per the Companies Act, 2013.

Retained Earnings:

Retained Earnings are the profits of the Company earned till date net of appropriations.

Equity Instruments through Other Comprehensive Income

This Reserve represents the cumulative gains and losses arising on revaluation of equity instruments measured at fair value through Other Comprehensive Income, net of amounts reclassified to retained earnings when those assets are disposed off.

Note 18 :Non-Current Borrowings

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
	Non-current Borrowings		
(a)	Deferred Sales Tax	0.01	0.14
(b)	Finance lease obligation	0.37	0.41
		0.38	0.55

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

Note 18.1: Repayment Details of Loans

(a) Deferred Sales Tax Loan : Repayable in installments , last installment being 26th April, 2020.

(b) Finance lease obligation : Repayable over 78 Years, last installment in financial year 2096-97.

Note 19 : Provisions

(Rs. In Crore)

	Non-Current		Current	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Provision for Employee Benefits				
Gratuity	1.38	-	3.38	1.63
Leave Encashment	8.04	6.97	2.44	2.67
	9.42	**6.97**	**5.82**	**4.30**
Other Provisions				
Provision for Warranties	-	-	-	0.72
Provision Other-Duties/Taxes	-	-	-	25.45
	-	-	-	26.17
	9.42	**6.97**	**5.82**	**30.47**

Note19.1: Movement in Other Provisions

	Warranties (Refer Note 1)	Other duties and taxes (Refer Note 2)
Balance as at 31st March, 2017	**0.68**	**30.93**
Additional provisions recognised	0.04	-
Reduction arising from payments	-	-
Reduction arising from remeasurements/settlement without cost	-	5.48
Balance as at 31st March, 2018	**0.72**	**25.45**
Additional provisions recognised	-	-
Reduction arising from payments	-	3.29
Reduction arising from remeasurements/settlement without cost	0.72	22.16
Balance as at 31st March, 2019	**-**	**-**

Notes:

1. Provision for warranty claims represents estimated warranty liability for the products sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding failure incidence based on corrective actions on product failure.

2. During an earlier year, it was brought to the notice of the company by the Pune Metropolitan Regional Development Authority ("PMRDA") that plans for construction of plants at URSE location during 2005 to 2009 were approved by Grampanchayat instead of town planning authority and therefore needed to be regularised by the said authority. As a matter of prudence, the company had recognised a provision towards compounding charges of Rs. 25.45 crore. During the year ended 31st March, 2019, the regulatory authorities after considering the company's submission have regularised the above matter. Accordingly, during the year, the company has paid Rs. 3.29 crore as final payment towards compounding charges for regularisation and the balance provision of Rs. 22.16 crore has been reversed.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

Note 20 : Tax Expense and Deferred Tax Liability (net)

Note 20.1 : Tax Expense

1. Income Tax recognised in statement of profit and loss

(Rs. In Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Current Tax:		
In respect of current year	162.30	130.00
In respect of previous year	3.38	1.66
	165.68	**131.66**
Deferred tax:		
In respect of current year	22.09	14.00
MAT credit utilised	-	0.62
	22.09	**14.62**
Total Income Tax expense recognised during the year	**187.77**	**146.28**

2. Income Tax recognised in Other Comprehensive Income

(Rs. In Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Deferred tax on fair value changes on equity instruments at FVTOCI	(1.32)	(2.04)
Total Income Tax expense recognised in other comprehensive income during the year	**(1.32)**	**(2.04)**

3. The Income Tax expenses for the year can be reconciled to the acounting profit as follows.

(Rs. In Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Profit before tax considered for tax working	531.86	504.48
Income tax expenses calculated at 34.94% (Previous year 34.61%)	185.83	174.60
Effect of income that is exempt from tax	(14.25)	(16.17)
Effect of tax incentives	(4.82)	(28.38)
Effect of expenses that are not deductible in determining taxable profit	13.19	8.31
Effect of tax on other items	4.44	5.64
Adjustments recognised in the current year in relation to the current tax of prior years	3.38	1.66
MAT credit utilised	-	0.62
Income tax expenses recognised in statement of profit and loss	**187.77**	**146.28**

Note 20.2 : Deferred Tax Liability (net)

1. The following is the analysis of Deferred Tax Liability (net) presented in the Balance Sheet:

(Rs. In Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Deferred tax assets	8.99	13.16
Deferred tax liabilities	(67.33)	(48.09)
Total - Deferred tax Liabilities (net)	**(58.34)**	**(34.93)**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

2. The tax effect of significant timing differences that has resulted in deferred tax liabilities are given below:

(Rs. in Crore)

Particulars	For the year ended 31st March, 2019			
	Opening balance	Recognised in Profit and loss	Recognised in OCI	Closing balance
Deferred Tax Assets in relation to				
Employee Benefits	2.61	1.57	1.18	5.36
Allowance for Doubtful Debt	1.73	1.74	-	3.47
Others	8.82	(8.66)	-	0.16
Total	**13.16**	**(5.35)**	**1.18**	**8.99**
Deferred Tax Liabilities in relation to				
Property, Plant and Equipment	32.53	5.08	-	37.61
Financial assets at fair value through OCI	0.63	-	2.50	3.13
Financial assets at fair value through Profit and loss	14.93	11.66	-	26.59
Total	**48.09**	**16.74**	**2.50**	**67.33**
Deferred tax Liabilities (net)	**(34.93)**	**(22.09)**	**(1.32)**	**(58.34)**

(Rs. in Crore)

Particulars	For the year ended 31st March, 2018			
	Opening balance	Recognised in Profit and loss	Recognised in OCI	Closing balance
Deferred Tax Assets in relation to				
Employee Benefits	5.13	(2.52)	-	2.61
Financial assets at fair value through OCI	1.41	-	(1.41)	-
Allowance for Doubtful Debt	1.05	0.68	-	1.73
Minimum Alternate Tax (Credit)	0.62	(0.62)	-	-
Others	8.50	0.32	-	8.82
Total	**16.71**	**(2.14)**	**(1.41)**	**13.16**
Deferred Tax Liabilities in relation to				
Property, Plant and Equipment	34.98	(2.45)	-	32.53
Financial assets at fair value through OCI	-	-	0.63	0.63
Financial assets at fair value through Profit and loss	-	14.93	-	14.93
Total	**34.98**	**12.48**	**0.63**	**48.09**
Deferred tax Liabilities (net)	**(18.27)**	**(14.62)**	**(2.04)**	**(34.93)**

Note 21 : Trade Payables

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
(a)	Total Outstanding Dues of Micro Enterprises and Small Enterprises	8.22	11.98
(b)	Total Outstanding Dues of Creditors other than micro enterprises and small enterprises		
	(i) Trade payables	181.19	142.86
	(ii) Accrued Salaries and Benefits	18.86	22.61
		200.05	**165.47**
	Total	**208.27**	**177.45**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

Note 21.1 : Dues to Micro enterprises and small Enterprises

(a) Outstanding to suppliers other than micro enterprises and small enterprises Rs. 200.05 crore (previous year Rs.165.47 crore)

(b) Outstanding to micro enterprises and small enterprises Rs. 8.22 crore (previous year Rs. 11.98 crore) including interest.

(Rs. In Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
(a) Principal amount due to micro and small enterprise	8.17	11.91
(b) Interest due on above	0.05	0.07
	8.22	**11.98**
Amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006 along with the amounts paid to suppliers beyond the appointed day during each accounting year.		
(a) Amount of interest due and payable for the period of delay in making payment (beyond the appointed day) but without adding the interest specified under the MSMED Act.	**-**	**-**
(b) The amount of interest accrued and remaining unpaid at the end of each accounting year	**0.05**	**0.07**

The identification of suppliers as Micro and Small Enterprises covered under the "MSMED Act, 2006" was done on the basis of the information to the extent provided by the suppliers to the Company. This has been relied upon the auditors.

Note 22 : Other Current Financial Liabilities

(Rs. In Crore)

	As at 31st March, 2019	As at 31st March, 2018
Carried at amortised cost		
(a) Current Maturities of Long term Debts		
Deferred Sales Tax Loan	0.13	0.25
Finance lease obligation	0.04	0.04
(b) Unpaid Dividend (refer note below)	2.42	1.98
(c) Other Payables		
Deposits from Distributors	0.69	0.72
Other Liabilities	0.04	0.04
	3.32	**3.03**

Note:

The Company is in process of ascertaining the quantum of shares to be transferred to Investor Education and Protection Fund (IEPF), in terms of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

Note 23 : Other Current Liabilities

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
(a)	Statutory Dues payable		
	(i) Sales Tax Payables	0.01	-
	(ii) Goods & Services Tax Payables	12.06	10.78
	(iii) TDS Payables	0.89	1.06
	(iv) Employee related dues payable	1.14	0.98
(b)	Advance from customers	8.32	7.89
(c)	Other payables	0.04	0.04
		22.46	**20.75**

Note 24 : Revenue From Operations:

(Rs. In Crore)

		Year ended 31st March, 2019	Year ended 31st March, 2018
(a)	Sale of Products (including excise duty)	3,030.07	2,838.73
(b)	Other operating revenue-Sale of scrap	47.72	45.50
		3,077.79	**2,884.23**

Notes:

(i) Consequent to introduction of Goods and Service Tax (GST) with effect from 1st July, 2017, Central Excise, Value Added Tax (VAT) etc. have been subsumed to GST. In accordance with Ind AS -115 on Revenue and Schedule III of the Companies Act, 2013, unlike Excise Duties, levies like GST, VAT are not part of Revenue.

(Rs. In Crore)

		Year ended 31st March, 2019	Year ended 31st March, 2018
(ii)	**Sale of Products includes:**		
	Sale of Manufactured products	2,966.97	2717.71
	Sale of Traded Goods	63.10	51.91
	Excise Duty Collected from Customers	-	69.11
	Total	**3,030.07**	**2,838.73**

(iii) Disaggregation of the revenue information

The table below presents disaggregated revenue by geography and offerings for each of products.

Revenue from sale of products

(Rs. In Crore)

Particulars		Year ended 31st March, 2019	Year ended 31st March, 2018
A.	Electrical cables	2,444.73	2,251.52
B.	Communication cables	487.29	476.39
C.	Copper rods	27.04	50.91
D.	Others	71.01	59.91
		3,030.07	**2,838.73**
	Sale of Scrap	47.72	45.50
		3,077.79	**2,884.23**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

Revenue by Geography

(Rs. In Crore)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
India	3,047.33	2,856.76
Outside India	30.46	27.47
	3,077.79	**2,884.23**

Timing of revenue recognition

(Rs. In Crore)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Goods transferred at a point of time	3,077.79	2,884.23
Goods transferred over a period of time	-	-
	3,077.79	**2,884.23**

(iv) Information about major customers

There are no major customers having revenue transactions exceeding 10% of the total revenue.

Note 25 : Other Income:

(Rs. In Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
(a) Interest income on financial assets carried at amortised cost	4.20	8.61
(b) Dividend Income		
(i) Dividend from Associate	40.19	46.22
(ii) Dividend from Others- Equity Investments Designated at FVTOCI	0.60	0.51
(c) Others		
(i) Net gain/(loss) on investments classified at FVTPL	67.61	47.26
(ii) Exchange gain/(losses) on translation of Assets and Liabilities	0.41	1.27
(iii) Other Income (Refer Note 25.1)	8.82	23.53
	121.83	**127.40**

Note 25.1: Other income includes government grant of Rs. 4.79 crore (previous year Rs. 18.61 crore)

Note 26 : Cost of material consumed

(Rs. In Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Inventory at the beginning of the year	106.37	102.91
Add: Purchases	2,300.91	2,033.44
Less: Inventory at the end of the year	115.19	106.37
	2,292.09	**2,029.98**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

Note 27 : Changes in inventories of finished goods, stock-in-trade and work-in-progress

(Rs. In Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Inventories at the end of the year (A)		
Work-in-progress	159.84	106.81
Finished goods	274.31	256.19
Stock-in-Trade	13.66	11.78
	447.81	**374.78**
Inventories at the beginning of the year (B)		
Work-in-progress	106.81	108.84
Finished goods	256.19	221.23
Stock-in-Trade	11.78	12.80
	374.78	**342.87**
(Increase)/Decrease in Inventories (B)-(A)	**(73.03)**	**(31.91)**

Note 28 : Employee benefits expense

(Rs. In Crore)

		Year ended 31st March, 2019	Year ended 31st March, 2018
(a)	Salaries, wages and bonus (refer note 28.1 below)	123.60	119.14
(b)	Contribution to provident and other funds (refer note 28.2 below)	6.62	6.18
(c)	Gratuity expense	1.41	1.45
(d)	Leave Encashment	2.99	3.42
(e)	Staff welfare and other expenses	6.08	5.27
		140.70	**135.46**

Note 28.1

Salaries, wages and bonus includes Rs. 10.88 crore (including Rs. 8.33 crore from the date of reappointment of the Executive directors) paid/ payable to the Executive directors during the year.

The resolutions for the reappointment and remuneration of the two executive directors were placed before the Annual General Meeting of the Company held on 25th September, 2018. The Hon'ble High Court of Bombay has in respect of an appeal filed in respect of aforesaid matter stated that the results of the voting shall be subject to the Order to be passed by the Hon'ble High Court in this Appeal. The matter remains pending.

Note 28.2

During the year, the Hon'able Supreme Court in another case ruled that certain allowances are to be included in computing contributions to provident fund.

The Company based on legal opinion has implemented the basis of computation in accordance with the Hon'ble Supreme Court order from 1st April, 2019. The effect of the Court Order in respect of prior years is not significant.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

Note 29 : Finance Costs

(Rs. In Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Interest on debts and borrowings	0.02	0.02
Interest others	0.90	1.42
	0.92	**1.44**

Note 30 : Depreciation and Amortization expense

(Rs. In Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Depreciation on Tangible assets (note 3)	40.27	43.59
Amortization of Intangible assets (note 4)	0.28	0.21
	40.55	**43.80**

Note 31 : Other Expenses

(Rs. In Crore)

		Year ended 31st March, 2019	Year ended 31st March, 2018
(a)	Consumption of stores and spares	31.02	31.41
(b)	Power and fuel	47.98	47.47
(c)	Freight and forwarding charges	44.80	45.04
(d)	Rent	5.63	5.14
(e)	Rates and taxes	3.02	1.50
(f)	Provision Other-Duties/Taxes (refer note 19)	(22.16)	(5.48)
(g)	Insurance	1.61	1.90
(h)	Repairs and maintenance -		
	(i) Plant and machinery	3.77	3.30
	(ii) Buildings	1.07	0.88
	(iii) Others	3.82	3.60
(i)	CSR expenditure (refer note 2 below)	9.44	4.60
(j)	Advertising and sales promotion	28.21	25.58
(k)	Travelling and conveyance	9.15	9.18
(l)	Communication costs	0.87	1.19
(m)	Legal and professional fees	6.41	5.34
(n)	Non Executive Directors' sitting fees & Commission	0.84	1.07
(o)	Payment to auditor (Refer details 1 below)	0.75	0.70
(p)	Warranty Costs (net)	(0.72)	0.04
(q)	Allowances for doubtful debts and advances	4.68	1.97
(r)	Miscellaneous expenses	18.44	18.03
(s)	Impairment of Financial Assets	18.17	18.48
(t)	Net Loss on disposal of property, plant and equipment	3.85	0.30
(u)	Bad Debts	-	1.92
		220.65	**223.16**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

Notes :

1. **Payment to Auditors** (Exclusive of service tax & GST)

(Rs. In Crore)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Audit Fees	0.28	0.27
For other service (certifications, etc)	0.05	0.10
Fees for limited review	0.30	0.24
For reimbursement of expenses	0.04	0.04
For taxation matters	0.08	0.05
Total	**0.75**	**0.70**

2. **Details of CSR expenditure**

(Rs. In Crore)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Amount required to be spent as per section 135 of the Act	7.43	5.60
Amount spent during the year	8.19	4.60
Amount spent during the year in resptect of earlier years	1.25	-
Total Spent	**9.44**	**4.60**
Amount spent during the year on:		
(a) Construction/Acquisition of asset	-	-
(b) On purposes other than (a) above	9.44	4.60
Amount unspent	-	1.00

Note 32 : Contingent Liabilities and Commitments

(a) Contingent Liabilities

Claims against the company not acknowledged as debts

(Rs. In Crore)

	As at 31st March, 2019	As at 31st March, 2018
I Disputed Matters		
(a) Excise (dispute mainly on account of issues of applicablility, classification, etc. to certain goods)	45.55	41.04
(b) Customs	1.34	1.34
(c) Sales Tax (dispute mainly on account of non submission of C, F and other forms and rates of tax)	132.67	125.12
(d) Entry Tax (dispute on account of applicability, etc.)	12.39	12.39
(e) Income Tax (Including Wealth Tax)		
wherein the Company is in Appeal	20.98	14.65
wherein the Department is in Appeal	14.64	30.51
(disputes relating to allowability of certain expenses, deductability, etc.)		

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
II	Other claims against the Company not acknowledged as debts	0.28	0.28
III	The Company has procured capital goods under zero duty EPCG scheme under Foreign Trade Policy. The Policy allows Import of capital goods at zero duty subject to an export obligation. The export obligation amounting Rs. 104.79 crore (previous year Rs. 104.79 crore) has not been fulfilled by the Company and hence as per the policy, the Company may have to pay the duty saving amount to Rs. 9.70 crore (previous year Rs. 14.47 crore). On the grounds of prudence Rs. 9.70 crore is provided for.	-	6.85
		227.85	**232.18**

Notes:

Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.

b) Commitments:

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
i	**Capital Commitments (Tangible Assets) :** Estimated amount of contracts remaining to be executed on capital account net of advance and not provided for.	23.88	16.00
ii	**Other Commitment** In respect of Finolex J Power Systems Private Limited (Joint Venture) whose net worth has been substantially eroded, the Company along with its joint venture partner has committed to provided financial support to the joint venture as and when required.		

Note 33 : Employee Benefit Plan

1. Defined Contribution plan

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution retirement benefit plans for eligible employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions as specified under the law/scheme are paid to the Government administered Provident fund and in case of Superannuation to the Scheme set up as trust by the Company-Insurer. The Company is liable only for annual contributions.

The Company has recognised Rs. 4.83 crore (31st March, 2018 - Rs. 4.33 crore) for provident fund contributions and Rs. 1.79 crore (31st March, 2018 - Rs. 1.85 crore) for superannuation contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

2. Defined Benefit plan

Gratuity-Funded

The Company has a defined benefit gratuity plan. The gratuity plan is primarily governed by the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The level of benefits provided depends on the member's length of service and salary at the retirement date. The gratuity plan is funded plan. The fund has form a trust and is governed by Trustees appointed by the Company. The Trustees are responsible for administration of the plan assets and investment strategy in accordance with the regulations. The funds are deployed in recognised insurer managed funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimates of expected gratuity payments.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

The following table sets out the status of Gratuity Plans as required under Ind AS 19.

(Rs. In Crore)

Statement showing changes in Present Value of obligations	As at 31st March, 2019	As at 31st March, 2018
Present value of obligations at the beginning of the year	17.66	16.26
Interest Cost	1.33	1.17
Current service cost	1.29	1.26
Benefits paid from the Fund	(1.94)	(1.36)
Actuarial (gain)/loss on obligations	3.46	0.33
Present Value of obligations as at end of the year	**21.80**	**17.66**
Table showing changes in the fair value of plan assets		
Fair value of plan assets at the beginning of the year	16.03	13.76
Expected return on plan assets	1.21	0.88
Contributions	1.70	2.64
Benefits paid	(1.94)	(1.36)
Return on Plan Assets, Excluding Interest Income	0.04	0.11
Fair value of plan asset at end of the year	**17.04**	**16.03**
Funded status	**78%**	**91%**
Actuarial (gain)/loss on obligations :-		
Due to change in Demographic Assumptions	-	(0.09)
Due to change in Financial Assumptions	1.72	(0.35)
Due to change in Experience	1.74	0.77
Actuarial (gain)/Loss recognised in the year	**3.46**	**0.33**
Amounts to be recognised in the Balance Sheet		
Present Value of obligations as at the end of the year	(21.80)	(17.66)
Fair value of plan assets as at the end of the year	17.04	16.03
Funded Status	(4.76)	(1.63)
Net Asset/(Liability) recognised in balance sheet	**(4.76)**	**(1.63)**
Expenses Recognised in statement of Profit & Loss Account		
Current Service Cost	1.29	1.26
Interest Cost	0.12	0.19
Expected return on plan assets	-	-
Net Actuarial(gain)/Loss recognised in the year	-	-
Expenses recognised in statement of Profit & Loss	**1.41**	**1.45**
Expenses Recognised in Other Comprehensive Income		
Acturial (Gains)/Losses on obligation for the period	3.46	0.33
Return on Plan Assets, Excluding Interest Income	(0.04)	(0.12)
Expenses recognised in Other Comprehensive Income	**3.42**	**0.21**
Table showing administration of Plan Assets		
Administered by Life Insurance Corporation	17.04	16.03
Total	**17.04**	**16.03**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

Actuarial Assumptions:	31st March, 2019	31st March, 2018
Discount Rate	7.47%	7.56%
Rate of return on assets	7.47%	7.56%
Salary escalation	8.00%	7.00%
Attrition rate (p.a)		
- For service 2 years & below	25.00%	25.00%
- For service 3 to 4 years	12.50%	12.50%
- For service 5 year & above	5.00%	5.00%
Mortality	Indian Assured Lives Mortality (2006-08)Ultimate	

(Rs. In Crore)

	As on 31st March				
Particulars	**2019**	**2018**	**2017**	**2016**	**2015**
Experience adjustments					
On plan liability (gain)/loss	3.46	0.33	1.85	(0.52)	(1.75)
On plan asset (gain)/loss	(0.04)	(0.12)	(0.02)	0.18	(0.04)

As per actuarial valuation report, Expected employer's contribution in next year is Rs. 3.38 crore (previous year Rs. 1.72 crore).

Effect on DBO on account of change in the assumed rates:

(Rs. In Crore)

DBO Rates Types	Discount Rate		Salary Escalation Rate		Withdrawal Rate	
Year	**1% Increase**	**1% Decrease**	**1% Increase**	**1% Decrease**	**1% Increase**	**1% Decrease**
31-Mar-19	(1.58)	1.82	1.79	(1.59)	(0.09)	0.09
31-Mar-18	(1.13)	1.29	1.28	(1.14)	0.03	(0.04)

The sensitivity results above determine their individual impact on Plan's end of year Defined Benefit Obligation. In reality, the plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time.

The expected maturity analysis of undiscounted defined benefit obligation is as follows:

(Rs. In Crore)

	31st March, 2019	31st March, 2018
Within 1 Year	2.75	2.06
Between 1-2 years	1.28	1.63
Between 2-3 years	1.39	1.71
Between 3-4 years	1.56	1.43
Between 4-5 years	1.99	1.34
Beyond 5 Years	37.26	26.48
Total	**46.23**	**34.65**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

Risk exposure:
Through it defined benefit plan, the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset Volatility:

The plan liabilties are calculated using a discount rate set with reference to government bond yield. If plan assets underperform this yield, it will result in deficit. These are subject to interest rate risk. To offset the risk plan assets have been deployed in high grade insurer managed funds.

Inflation rate risk:

Higher than expected increase in salary will increase the defined benefit obligation.

Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligations is not straight forward and depends upon the combination of salary increase, discount rate and vesting criterion.

Note 34: Financial Instruments

1. Fair value measurements

1.1 The carrying value and fair value of financial instruments by categories as of 31st March, 2019 is as follows:

(Rs. In Crore)

	Fair value through P&L	Fair value through OCI	Amortised cost	Total carrying value	Total fair value
Assets:					
Cash and cash equivalents	-	-	46.38	46.38	46.38
Other balances with banks	-	-	2.42	2.42	2.42
Trade receivables	-	-	210.88	210.88	210.88
Investments #					
Equity and Others	-	103.26	-	103.26	103.26
Mutual Funds (includes FMP)	1,073.00	-	-	1,073.00	1,073.00
Loans	-	-	3.82	3.82	3.82
Other financial assets	-	-	0.71	0.71	0.71
Total	**1,073.00**	**103.26**	**264.21**	**1,440.47**	**1,440.47**
Liabilities:					
Trade payables	-	-	208.27	208.27	208.27
Borrowings	-	-	0.38	0.38	0.38
Other financial liabilities	*	-	3.32	3.32	3.32
Total	**-**	**-**	**211.97**	**211.97**	**211.97**

* Denotes amount less than Rs. 50,000

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

The carrying value and fair value of financial instruments by categories as of 31st March, 2018 is as follows:

(Rs. In Crore)

	Fair value through P&L	Fair value through OCI	Amortised cost	Total carrying value	Total fair value
Assets:					
Cash and cash equivalents	-	-	76.87	76.87	76.87
Other balances with banks	-	-	26.74	26.74	26.74
Trade receivables	-	-	174.92	174.92	174.92
Investments #					
Equity and Others	-	123.09	-	123.09	123.09
Mutual Funds (includes FMP)	886.82	-	-	886.82	886.82
Loans	.	-	3.75	3.75	3.75
Other financial assets	*	-	3.00	3.00	3.00
Total	**886.82**	**123.09**	**285.28**	**1,295.19**	**1,295.19**
Liabilities:					
Trade payables	-	-	177.45	177.45	177.45
Borrowings	-	-	0.55	0.55	0.55
Other financial liabilities	-	-	3.03	3.03	3.03
Total	**-**	**-**	**181.03**	**181.03**	**181.03**

* Denotes amount less than Rs. 50,000

Other than investments in Associate and Joint Ventures accounted at cost in accordance Ind-AS 27

1.2. Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. This includes quoted equity instruments, government securities and mutual funds (includes FMP) that have quoted price.

Level 2 Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) such as derivative financial instruments. The Company does not have any Level 2 instruments as at 31st March, 2019 and 31st March, 2018.

Level 3 Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This includes unquoted equity shares.

(Rs. In Crore)

	Fair value hierarchy as at 31st March, 2019			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Mutual Funds (includes FMP)	1,073.00	-	-	1,073.00
Equity Shares				
Quoted	77.74	-	-	77.74
Unquoted	-	-	25.52	25.52
Total	**1,150.74**	**-**	**25.52**	**1,176.26**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

(Rs. In Crore)

	Fair value hierarchy as at 31st March, 2018			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets:				
Mutual Funds (includes FMP)	886.82	-	-	886.82
Equity Shares				
Quoted	82.24	-	-	82.24
Unquoted	-	-	40.85	40.85
Total	**969.06**	**-**	**40.85**	**1,009.91**

Other than investments in associate and Joint Ventures accounted at cost in accordance Ind-AS 27

Valuation technique(s) and key input(s):

Level 1 The fair value of mutual funds (includes FMP) and quoted equity shares is based on net assets value (NAV) and quoted price.

Level 2 The Company does not have any Level 2 instrument as at 31st March, 2019 and 31st March, 2018.

Level 3 The fair value of unquoted equity shares is determined using market approach. This approach involves the application of multiples, derived from market prices of comparable listed companies, to the parameters of the subject company in order to derive a value for the subject company.

1.3. Reconciliation of level 3 fair value measurements

(Rs. In Crore)

For the year ended 31st March, 2019	**Unlisted shares irrevocably designated as at FVTOCI**
Opening balance	123.09
Total loss in other comprehensive income	(19.83)
Held for sale/Disposals/Settlements	-
Closing balance	**103.26**

(Rs. In Crore)

For the year ended 31st March, 2018	**Unlisted shares irrevocably designated as at FVTOCI**
Opening balance	107.37
Total Gain in other comprehensive income	15.72
Held for sale/Disposals/Settlements	-
Closing balance	**123.09**

All gains and losses included in other comprehensive income relate to unlisted shares held at the end of the reporting period and are reported under "Equity Instruments through Other Comprehensive Income".

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

2. Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The capital structure is as follows:

(Rs. In Crore)

	31st March, 2019	31st March, 2018
Total Equity	2,439.67	2,193.90
Total Borrowings	0.55	0.84
Total capital (borrowings and equity)	**2,440.22**	**2,194.74**
Equity as a percentage of total capital	99.98%	99.96%
Borrowing as a percentage of total capital	0.02%	0.04%

(i) Debt is defined as long-term borrowings (including current maturities) and short-term borrowings (excluding contingent considerations, if any).

(ii) Equity is defined as Equity share capital and other equity including reserves and surplus.

The Company is predominantly equity financed which is evident from the capital structure table. Further, the Company has always been a net cash Company with cash and bank balances along with investment which is predominantly investment in liquid and short term mutual funds being far in excess of debt.

3. Financial risk management

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity, which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

3.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

3.1.1 Foreign currency risk management

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar and Euro against the respective functional currency of the company. The Company enters into derivative financial instruments such as foreign exchange forward contract to mitigate the risk of changes in exchange rates on foreign currency exposures.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

i The carrying amounts of the Company's foreign currency denominated monetary liabilities/ assets at the end of the reporting period are as follows:

	31st March, 2019		31st March, 2018	
	Foreign Currency (in Crore)	(in Rs. Crore)	Foreign Currency (in Crore)	(in Rs. Crore)
(a) Foreign Currency Liabilities				
In USD	0.41	28.25	0.51	33.23
In EURO	*	0.21	*	0.15
(b) Foreign Currency Asset				
In USD	0.17#	11.69	0.15#	9.47

Balance with Banks in foreign currency

ii Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward and option contracts to mitigate the risk of changes in exchange rate on foreign currency exposure. The counterparty for these contracts is generally a Bank or a Financial Institution. These derivative financial instrument are valued based on quoted prices for similar asset and liabilities in active markets or inputs that is directly or indirectly observable in the market place.

The following table gives details in respect of outstanding foreign exchange forward and option contracts:

(Rs. In Crore)

Forward contracts		31st March, 2019			31st March, 2018		
		Foreign Currency (in Crore)	Nominal Value	Fair Value	Foreign Currency (in Crore)	Nominal Value	Fair Value
In USD	Buy	0.32	22.37	*	0.04	2.90	*

* Denotes amount less than Rs. 50,000

iii Foreign currency sensitivity analysis

For the year ended 31st March, 2019 and 31st March, 2018, the impact of every rupee 1 depreciation / appreciation in the exchange rate between the Indian Rupee and U.S. Dollar on Profit before tax of the Company, given in below table.

	As of 31st March, 2019		As of 31 March, 2018	
	Rupee depreciate by INR 1 against USD	Rupee appreciate by INR 1 against USD	Rupee depreciate by INR 1 against USD	Rupee appreciate by INR 1 against USD
On Foreign Currency Liabilities (net) (Refer Note 2 below)	(0.24)	0.24	(0.36)	0.36

Notes:

1) +/- Gain/(Loss)

2) The impact of depreciation/ appreciation on foreign currency other than U.S.Dollar on profit before tax of the Company is not material.

3.1.2 Interest rate risk management

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Considering borrowing amount outstanding as at 31st March, 2019 and as at 31st March, 2018, Company is not exposed to significant interest rate risk.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

3.2 Credit risk management

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, loans, cash and cash equivalents, other balances with banks and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units (including FMP), quoted bonds issued by government and quasi government organizations for specified time period.

The Company takes on exposure to credit risk,which is the risk that counterparty will default on its contractual obligations resulting in financial loss to the company.Financial asset that potentially expose the Company to credit risks are listed below :

(Rs. In Crore)

	31st March, 2019	31st March, 2018
Trade Receivables	210.88	174.92
Loan	3.82	3.75
Total	**214.70**	**178.67**

3.3 Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The maturity profile of the financial liabilities are listed below:

Expected contractual maturity for Financial Liabilities

(Rs. In Crore)

	Up to 1 year	1 to 3 years	3 to 5 years	Beyond 5 years	Total	Carrying Amount
31st March, 2019						
Borrowings	0.17	0.10	0.05	0.23	0.55	0.55
Trade Payables	208.27	-	-	-	208.27	208.27
Other Financial Liabilities	3.15	-	-	-	3.15	3.15
Total	**211.59**	**0.10**	**0.05**	**0.23**	**211.97**	**211.97**

(Rs. In Crore)

	Up to 1 year	1 to 3 years	3 to 5 years	Beyond 5 years	Total	Carrying Amount
31st March, 2018						
Borrowings	0.29	0.26	0.12	0.17	0.84	0.84
Trade Payables	177.45	-	-	-	177.45	177.45
Other Financial Liabilities	2.74	-	-	-	2.74	2.74
Total	**180.48**	**0.26**	**0.12**	**0.17**	**181.03**	**181.03**

The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments.

3.4 Financing Facilities

As at 31st March, 2019, the Company has available Rs. 200.00 crore (31st March 2018: Rs. 200.00 crore) of undrawn committed borrowing facilities.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

Note 35 : Related Party Disclosures

Names of Related Parties :

Where transactions have taken place during the year and previous year/ balance outstanding.

(a) Associate Company

Finolex Industries Limited

(b) Joint Venture Entities

Finolex J- Power Systems Private Limited

Corning Finolex Optical Fibre Private Limited

(c) Promoter Group Entities

Orbit Electrical Private Limited

Finolex Infrastructure Limited

Finolex Plassson Industries Private Limited

Magnum Machines Technologies Limited

Note : Excludes Finolex Industries Limited considered as an Associate company as above.

(d) Enterprises controlled by KMP (Mr. P. G. Pawar)

Sakal Media Private Limited

SAAM Television Private Ltd.

Sakal Social Foundation

Sakal India Foundation

Sakal Relief Fund

(e) Employee Benefit Funds

Finolex Cables Limited Employee's Group Gratuity Scheme

Finolex Cables Limited Group Superannuation Scheme

(f) Key Management Personnel

Mr. D. K. Chhabria	Executive Chairman and promoter
Mr. Mahesh Viswanathan	Deputy Managing Director and Chief Financial Officer
Dr. H S Vachha (upto 14th February, 2019)	Independent Non-Executive Director
Mrs. Namita V Thapar (upto 25th September, 2018)	Woman Director
Mr. Sanjay K.Asher (upto 20th April, 2019)	Independent Non-Executive Director
Mr. P.G. Pawar	Independent Non-Executive Director
Mr. Pradeep R.Rathi	Independent Non-Executive Director
Mr. Shishir Lall	Independent Non-Executive Director
Mr. M. L. Jain (from 14th November, 2018)	Additional Director
Mrs. Shruti D Udeshi (from 14th February, 2019)	Independent Woman Director
Miss. Poornima K Prabhu (from 5th December, 2018 to 31st March, 2019)	Additional Woman Director

(g) Relatives of Key Management Personnel: (Mr. D. K. Chhabria)

Mr. Kishandas P. Chhabria	Father
Mr. Vijay K. Chhabria	Brother
Mrs. Sunita K. Chhabria	Mother
Mrs. Vini D. Chhabria	Wife
Ms. Radhika D. Chhabria	Daughter

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

(A) Transaction with Related Parties

(Rs. In Crore)

Particulars	Financial Year	Associate Company	Joint Venture Entities	Promoter Group Entities	Enterprises controlled by KMP	Employee Benefit Funds	Key Management Personnel (Refer no. 1)	Relatives of Key Management Personnel
Investment	2018-19	-	18.87	-	-	-	-	-
	2017-18	-	15.92	-	-	-	-	-
Dividend paid	2018-19	8.87	-	18.78	-	-	0.37	1.09
	2017-18	6.66	-	14.09	-	-	0.28	0.82
Dividend received	2018-19	40.19	-	0.25	-	-	-	-
	2017-18	46.22	-	0.20	-	-	-	-
Rent paid	2018-19	-	-	0.25	-	-	-	-
	2017-18	-	-	0.25	-	-	-	-
Rent Received	2018-19	-	0.22	0.06	-	-	-	-
	2017-18	-	0.20	0.06	-	-	-	-
Advertising & Sales Promotion	2018-19	-	-	-	1.36	-	-	-
	2017-18	-	-	-	1.58	-	-	-
Other services provided	2018-19	-	0.06	-	-	-	-	-
	2017-18	-	0.18	-	-	-	-	-
Purchase of Raw Material	2018-19	-	12.15	-	-	-	-	-
	2017-18	-	-	-	-	-	-	-
Purchases of Property Plant Equipment	2018-19	-	-	-	-	-	-	-
	2017-18	-	-	0.01	-	-	-	-
Contribution to fund	2018-19	-	-	-	-	3.49	-	-
	2017-18	-	-	-	-	4.49	-	-
Benefits paid to employee from Trust	2018-19	-	-	-	-	1.94	-	-
	2017-18	-	-	-	-	1.85	-	-
Financial support	2018-19	-	Refer Note 32(b)(ii)		-	-	-	-
	2017-18	-	Refer Note 32(b)(ii)		-	-	-	-
Corporate Social Responsibility	2018-19	-	-	-	1.50	-	-	-
	2017-18	-	-	-	1.00	-	-	-
Managerial remuneration	2018-19	-	-	-	-	-	12.31	-
	2017-18	-	-	-	-	-	15.84	-
Amounts owed by related parties (Receivable)	2018-19	-	0.05	0.25	-	-	-	-
	2017-18	-	0.19	0.25	-	-	-	-
Amounts owed to related parties (payable)	2018-19	-	-	-	-	4.76	7.82	-
	2017-18	-	-	-	-	1.63	12.20	-

Notes:

1. Key managerial Personnel are entitled to post- employment benefits recognised as per IND-AS 19-'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of acturial valuation, the same is not included above.
2. All transactions with the related parties have been done at arms length.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

Note 36 : Segment Reporting

Operating segments are reported consistently with the internal reporting provided to the Executive Chairman, the highest decision-making executive who is responsible for allocating resources to and assessing the performance of the operating segments.

A- The business segment has been considered as a primary segment for disclosure. The categories included in each of the reported business segment are as follows.

1. Electrical Cables
2. Communication Cables
3. Copper Rods
4. Others - Trading of Electrical and other goods

The above business segments have been identified considering

1. The nature of the product/services
2. The Related risks and returns
3. The Internal financial reporting systems

Revenues and expenses have been accounted for based on their relationship to the operating activities of the segment. Revenues and expenses which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis have been included under "Unallocable Expenses". Assets and Liabilities which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis have been included under "Unallocable Assets / Liabilities".

(Rs. In Crore)

Particulars	31st March, 2019	31st March, 2018
Segment Revenue		
A. Electrical cables	2,494.42	2,306.16
B. Communication cables	488.84	476.93
C. Copper rods	939.98	904.32
D. Others	71.01	59.91
Total segment revenue	**3,994.25**	**3,747.32**
Less : Inter segment revenue	(911.67)	(844.48)
Net segment revenue	**3,082.58**	**2,902.84**
Segment Results		
A. Electrical cables	381.43	376.13
B. Communication cables	66.01	46.72
C. Copper rods	9.68	9.65
D. Others	(12.01)	(10.01)
Total segment results	**445.11**	**422.49**
(Less) : Finance costs	(0.92)	(1.44)
Add /(Less) : unallocable income/(Loss) net of unallocable expenditure	87.67	83.43
Profit before tax	**531.86**	**504.48**
Income Taxes	**187.77**	**146.28**
Profit for the year	**344.09**	**358.20**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

Other Information

(Rs. In Crore)

Particulars	31st March, 2019	31st March, 2018
Segment Assets		
A. Electrical cables	872.59	782.21
B. Communication cables	336.72	292.30
C. Copper rods	75.54	38.64
D. Others	31.33	29.26
Unallocable Assets	1,452.82	1,333.64
Total Assets	**2,769.00**	**2,476.05**
Segment Liabilities		
A. Electrical cables	155.90	199.47
B. Communication cables	75.99	24.76
C. Copper rods	6.81	5.82
D. Others	8.00	6.39
Unallocable Liabilities	82.63	45.71
Total Liabilities	**329.33**	**282.15**

For the year ended 31st March, 2019

(Rs. In Crore)

Particulars	Capital Expenditure	Depreciation	Non cash Expenditure other than Depreciation to the extend allocable to the segment *
A. Electrical cables	22.71	30.14	3.85
B. Communication cables	16.41	6.49	4.68
C. Copper rods	0.10	1.16	-
D. Others	5.10	2.76	-
Total	**44.32**	**40.55**	**8.53**

* Exclude reversal of Provision other-Duties/Taxes of Rs. 22.16 (Previous year Rs. 5.48)

For the year ended 31st March, 2018

(Rs. In Crore)

Particulars	Capital Expenditure	Depreciation	Non cash Expenditure other than Depreciation to the extend allocable to the segment
A. Electrical cables	29.44	37.27	-
B. Communication cables	3.80	4.82	1.97
C. Copper rods	0.02	0.69	-
D. Others	3.68	1.02	-
Total	**36.94**	**43.80**	**1.97**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2019

Reconciliation of Revenue

(Rs. In Crore)

Particulars	31st March, 2019	31st March, 2018
Revenue from operation	3,077.79	2,884.23
Add: Miscellaneous Income (Included in Other Income)	4.79	18.61
Total Segment revenue as reported above	**3,082.58**	**2,902.84**

B- Secondary Segment information

The company's operations are mainly confined within India and as such there are no reportable geographical segments.

Note 37 : Earnings Per Share (EPS)

(Rs. In Crore)

Basic earning per share	Year ended 31st March, 2019	Year ended 31st March, 2018
Net Profit for the year attributable to the equity holders	**344.09**	**358.20**
Weighted average number of Equity shares for basic EPS	152,939,345	152,939,345
Par value per share (in Rs.)	2.00	2.00
Basic Earnings per share (in Rs.)	**22.50**	23.42
Diluted Earnings per share (in Rs.)	**22.50**	23.42

Note: The Company does not have any dilutive potential equity shares in any of the period's , therefore weighted average number of equity shares outstanding at the year end for basic EPS and diluted EPS is same.

Note 38: Significant Events after the reporting period :

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed.

D. K. Chhabria
Executive Chairman

P. G. Pawar
Director

M. Viswanathan
Dy. Managing Director &
Chief Financial Officer

R.G. D'Silva
Company Secretary &
President (Legal)

Pune : 29th May, 2019

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Independent Auditor's Report

To The Members of Finolex Cables Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Finolex Cables Limited ("the Company") and its share of profit (net) of its associate and joint ventures, which comprise the Consolidated Balance Sheet as at 31 March 2019, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of the associate and joint ventures referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company, its associate and joint ventures as at 31 March 2019, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the consolidated financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	Auditor's Response
Impairment assessment for investment in joint venture accounted using equity method (Refer notes 2.2.4, 2.24 and 5 to the consolidated financial statements) The Company has investment in equity shares of a joint venture, Finolex J-Power Systems Private Limited, which has been accounted for using the equity method in the consolidated financial statements. Under the equity method, an investment in a joint venture is recognised initially in the consolidated balance sheet at cost and adjusted thereafter to recognize the company's share of the profit or loss and other comprehensive income of the joint venture. The carrying amount of equity accounted investments are tested for impairment in accordance with Ind AS 36.	**Principal Audit Procedures** • We tested the design and operating effectiveness of the company's management controls over review of the impairment testing including those over the forecasts of future cash flows of the joint venture and the selection of the discount rate. • We assessed the commitment provided by the Company and the other joint venture partner for the infusion of funds. We also assessed the history of fund infusion by the Company and the other joint venture partner in the joint venture in the past.

Key Audit Matter	Auditor's Response
The joint venture is making continuous losses and is dependent on continuing support from its two joint venture partners. Due to the presence of impairment indicators, the company's management has tested this investment (carrying value of Rs. 52.01 crore) for impairment in accordance with Ind AS 36 by comparing its recoverable amount with its carrying amount as at 31 March, 2019. The company's management has determined the recoverable amount based on the discounted cash flows of the joint venture and has concluded that no impairment is required. We considered this as a key audit matter due to significant judgement involved in estimating future cash flows of the joint venture and in determining the discount rate to be used. Changes in these inputs and assumptions could impact the results of the impairment assessment.	• We evaluated the reasonableness of forecasts of future cash flows of the joint venture provided to us by the company's management by comparing the forecasts to historical trend analysis. • With the assistance of our fair value specialists, we evaluated the reasonableness of the valuation methodology and discount rate. • We evaluated the company management's sensitivity analysis around the key assumptions, to ascertain the extent of change in those assumptions that would be required for the investment in the joint venture to be impaired.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the, joint ventures and associate audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the joint ventures and associate, is traced from their financial statements audited by the other auditors.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Company and its associate and joint ventures in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the Company and of its associate and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and its associate and its joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Company and of its associate and joint ventures are responsible for assessing

the ability of the Company, its associate and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Company and of its associate and joint ventures are also responsible for overseeing the financial reporting process of the Company and of its associate and joint ventures.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its associates and joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of the Company included in the consolidated financial statements of which we are the independent auditors. For the other entities such as associates and joint ventures which are included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of Company of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The consolidated financial statements also include the Company's share of net profit of Rs. 100.38 crore and total comprehensive income of Rs. 99.35 crore for the year ended 31 March, 2019, as considered in the consolidated financial statements, in respect of 1 associate and 2 joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these joint ventures and associate, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid joint ventures and associate is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of other auditors on the separate financial statements of the associate and joint ventures referred to in the Other Matters section above we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Company as on 31 March, 2019 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its, associate and joint venture companies incorporated in India, none of the directors of the Company, its associate and joint venture companies incorporated in India is disqualified as on 31 March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Company, associate and joint venture companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies, for the reasons stated therein.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended.

      As more fully stated in Note 28.1 the reappointment and remuneration of the two executive directors is pending before the Hon'ble High Court. Subject

to the aforesaid in our opinion and to the best our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provision of Section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Company, its associate and joint ventures.

ii) The Company, its associate and joint ventures did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its, associate and joint venture companies incorporated in India except in respect of transfer of equity shares, as the Company is in process of ascertaining the quantum of shares to be transferred, in terms of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, to the Investor Education and Protection Fund by the Company.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

R. A. Banga
Partner
Membership Number: 037915

Place: Pune
Date: 29 May, 2019

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March, 2019, we have audited the internal financial controls over financial reporting of Finolex Cables Limited (hereinafter referred to as "the Company") and its associate and joint ventures which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and its associate and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its associate and joint ventures, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of its associate and joint ventures, which are companies incorporated in India, in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its associate and joint ventures, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls,

material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matter paragraph below, the Company and its associate and joint ventures which are companies incorporated in India have, in all material respects, maintained adequate internal financial controls over financial reporting as of 31 March, 2019, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 1 associate company and 2 joint venture companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

R. A. Banga
Partner
Membership Number: 037915

Place: Pune
Date: 29 May, 2019

Consolidated Balance Sheet

as at 31st March, 2019

(Rs. In Crore)

	Note No.	As at 31st March, 2019	As at 31st March, 2018
I ASSETS			
Non Current Assets			
(a) Property, Plant and Equipment	3	403.50	408.00
(b) Capital Work-in-Progress		10.36	5.20
(c) Intangible Assets	4	0.71	0.99
(d) Investment Accounted for using the equity method	5	590.75	512.72
(e) Financial Assets			
i) Other Investments	6	408.34	308.93
ii) Loans	8	3.82	3.75
iii) Other Financial Assets	9	0.23	0.66
(f) Non-Current Tax Assets (Net)		21.44	12.24
(g) Other Non-Current Assets	10	22.97	21.49
		1,462.12	**1,273.98**
Current Assets			
(a) Inventories	11	587.20	499.06
(b) Financial Assets			
i) Investments	7	767.92	700.98
ii) Trade Receivables	12	210.88	174.92
iii) Cash and Cash Equivalents	13	46.38	76.87
iv) Other Bank balances	14	2.42	26.74
v) Other Financial Assets	9	0.48	2.34
(c) Other Current Assets	15	76.74	28.97
		1,692.02	**1,509.88**
TOTAL ASSETS		**3,154.14**	**2,783.86**
II EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	16	30.59	30.59
(b) Other Equity	17	2,706.49	2,398.37
		2,737.08	**2,428.96**
LIABILITIES			
Non Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	18	0.38	0.55
(b) Provisions	19	9.42	6.97
(c) Deferred Tax Liabilities (Net)	20	146.07	107.68
		155.87	**115.20**
Current Liabilities			
(a) Financial Liabilities			
i) Trade payables			
a) Total outstanding dues of Micro Enterprises and Small Enterprises	21	8.22	11.98
b) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	21	200.05	165.47
ii) Other Financial Liabilities	22	3.32	3.03
(b) Other Current Liabilities	23	22.46	20.75
(c) Provisions	19	5.82	30.47
(d) Current tax Liabilities (Net)		21.32	8.00
		261.19	**239.70**
		417.06	**354.90**
TOTAL EQUITY AND LIABILITIES		**3,154.14**	**2,783.86**

See accompanying notes to the Consolidated Financial Statements

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No. 117366W/W-100018

R. A. Banga
Partner
Membership No. 037915

Pune : 29th May, 2019

For and behalf of Board of Directors of Finolex Cables Limited

D. K. Chhabria
Executive Chairman

M. Viswanathan
Dy. Managing Director &
Chief Financial Officer

P. G. Pawar
Director

R.G. D'Silva
Company Secretary &
President (Legal)

Pune : 29th May, 2019

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2019

(Rs. In Crore)

		Note No.	Year Ended 31st March, 2019	Year Ended 31st March, 2018
I	Revenue from operations	24	3,077.79	2,884.23
II	Other income	25	81.64	81.18
III	**Total income**		**3,159.43**	**2,965.41**
IV	**EXPENSES**			
	(a) Cost of material consumed	26	2,292.09	2,029.98
	(b) Purchase of stock-in-trade		45.88	36.11
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	27	(73.03)	(31.91)
	(d) Excise duty		-	69.11
	(e) Employee benefits expense	28	140.70	135.46
	(f) Finance Costs	29	0.92	1.44
	(g) Depreciation and amortization expenses	30	40.55	43.80
	(h) Other Expenses	31	202.48	204.68
	Total Expenses		**2,649.59**	**2,488.67**
V	**Profit before share of net profit of investments accounted for using equity method and tax**		**509.84**	**476.74**
	Share of net profit of an Associate and Joint Ventures accounted for using the Equity Method		100.38	72.40
VI	**Profit before Tax**		**610.22**	**549.14**
VII	**Tax Expenses**			
	(a) Current Tax	20	165.68	131.66
	(b) Deferred tax	20	37.07	87.37
	Total Tax		**202.75**	**219.03**
VIII	**Profit for the year**		**407.47**	**330.11**
IX	**Other comprehensive income / (expense)**			
	A. Items that will not be reclassified to profit or loss			
	(i) Re-measurement gain/ (loss) on defined benefit plans		(4.45)	(0.21)
	(ii) Fair value change on equity instruments		(19.83)	15.72
	(iii) Income tax relating to these items		(1.32)	(2.04)
	B. Items that will be reclassifed to profit or loss		-	(0.29)
X	**Total Other Comprehensive Income/(Expense) for the year**		**(25.60)**	**13.18**
XI	**Total comprehensive income for the year**		**381.87**	**343.29**
	Profit for the year attributable to:			
	- Owners of the Company		**407.47**	**330.11**
	- Non-controlling interest		**-**	**-**
			407.47	**330.11**
	Total Other Comprehensive Income / (Expense) for the year attributable to:			
	- Owners of the Company		**(25.60)**	**13.18**
	- Non-controlling interest		**-**	**-**
			(25.60)	**13.18**
	Total Comprehensive Income for the year attributable to:			
	- Owners of the Company		**381.87**	**343.29**
	- Non-controlling interest		**-**	**-**
			381.87	**343.29**
XII	**Earnings per equity share of face value of Rs. 2 each**			
	(i) Basic	37	26.64	21.58
	(ii) Diluted	37	26.64	21.58

See accompanying notes to the Consolidated Financial Statements

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration No. 117366W/W-100018

R. A. Banga
Partner
Membership No. 037915

Pune : 29th May, 2019

For and behalf of Board of Directors of Finolex Cables Limited

D. K. Chhabria
Executive Chairman

M. Viswanathan
Dy. Managing Director &
Chief Financial Officer

P. G. Pawar
Director

R.G. D'Silva
Company Secretary &
President (Legal)

Pune : 29th May, 2019

Statement of Consolidated Cash Flows

for the year ended 31st March, 2019

(Rs. In Crore)

Particulars	Year Ended 31st March, 2019		Year Ended 31st March, 2018	
A. Cash flows from operating activities				
Profit for the year		**610.22**		**549.14**
Adjustments for :				
Finance Costs	0.92		1.44	
Interest Income	(4.20)		(8.61)	
Dividend income	(0.60)		(0.51)	
Share of profit of an Associate and Joint Ventures accounted for using the Equity Method	(100.38)		(72.40)	
Net gain/(Loss) on fair value changes of investments classified at FVTPL	(67.61)		(47.26)	
Allowance for Doubtful Debts and Advances (Net)	4.68		1.97	
Warranty Charges	(0.72)		0.04	
Depreciation and Amortisation Expenses	40.55		43.80	
Provision made/Written back (net)	(22.16)		(5.48)	
Loss/(gain) on sale of property, plant and equipment	3.85		0.30	
		(145.67)		**(86.71)**
		464.55		**462.43**
Working Capital Adjustments				
Adjustments for (increase) / decrease in operating assets:				
Trade Receivables	(40.64)		(52.50)	
Inventories	(88.14)		(37.05)	
Other Current Assets	(47.77)		(13.11)	
Other Financial Assets (Current and Non-Current)	(0.07)		24.50	
Other Non Current Assets	(2.00)		9.50	
Security deposit	(0.07)		0.45	
		(178.69)		**(68.21)**
		285.86		**394.22**
Adjustments for increase / (decrease) in operating liabilities:				
Trade Payables	30.82		(10.84)	
Long term / Short Term Provisions	(2.74)		0.87	
Other Current Liabilities	1.71		(13.62)	
Other Financial Liabilities (Current and Non - Current)	(0.03)		(0.26)	
Other Non Current Liabilities	-		(0.19)	
		29.76		**(24.04)**
Cash generated from operations		**315.62**		**370.18**
Income Tax paid		**(161.56)**		**(134.50)**
Net cash generated by operating activities		**154.06**		**235.68**
B. Cash Flow from Investing Activities				
Dividend received	40.79		46.73	
Other bank balances	24.32		116.70	
Interest received - Others	6.56		13.71	
Purchase of Investments (Mutual Funds)	(2,800.41)		(2,621.01)	
Proceed from sale of investments	2,681.84		2,362.27	
Purchase of investment in joint ventures	(18.87)		(15.92)	
Purchase of PPE	(44.32)		(36.94)	
Proceed from sale of Fixed Assets	0.06		-	
Net cash (used in) investing activities		**(110.03)**		**(134.46)**

Statement of Consolidated Cash Flows (Cont.)

for the year ended 31st March, 2019

(Rs. In Crore)

Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
C. Cash flows from Financing Activities		
Other long term borrowings repaid	(0.29)	(0.40)
Dividends paid	(60.74)	(45.57)
Dividend tax paid	(12.57)	(9.34)
Interest and Other Borrowing Costs	(0.92)	(1.44)
Net cash from/(used) in financing activities	**(74.52)**	**(56.75)**
Net Increase /(Decrease) in cash and cash equivalents	**(30.49)**	**44.47**
Cash and Cash Equivalents as at 1st April (Opening Balance)	**76.87**	**32.40**
Cash and Cash Equivalents as at 31st March (Closing Balance)	**46.38**	**76.87**

Notes:

1 Cash and Cash Equivalents include:

	As at 31st March, 2019	As at 31st March, 2018
(a) Cash on hand	0.01	0.01
(b) Balances with banks		
In current accounts	46.37	76.86
Cash and Cash Equivalents	**46.38**	**76.87**

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration No. 117366W/W-100018

R. A. Banga
Partner
Membership No. 037915

Pune : 29th May, 2019

For and behalf of Board of Directors of Finolex Cables Limited

D. K. Chhabria
Executive Chairman

M. Viswanathan
Dy. Managing Director &
Chief Financial Officer

P. G. Pawar
Director

R.G. D'Silva
Company Secretary &
President (Legal)

Pune : 29th May, 2019

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2019

A) Equity Share Capital

(Rs. In Crore)

	No. of shares	Amount
Balance as at 1st April, 2017	**152,939,345**	**30.59**
Issued during the year	-	-
Balance as at 31st March, 2018	**152,939,345**	**30.59**
Issued during the year	-	-
Balance as at 31st March, 2019	**152,939,345**	**30.59**

B) Other Equity

(Rs. In Crore)

Description	Reserve and surplus					Item of Other Comprehensive Income	Total
	Securities Premium	Capital Reserve	General Reserve	Share buyback Reserve	Retained Earnings	Equity Instrument through Other Comprehensive Income	
Balance as at 1st April, 2017	**109.10**	**8.41**	**552.36**	**5.52**	**1,341.42**	**93.48**	**2,110.29**
Profit for the year	-	-	-	-	330.11	-	330.11
Other Comprehensive Income/ (Expense) for the year (Net of Tax)	-	-	-	-	(0.50)	13.68	13.18
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**329.61**	**13.68**	**343.29**
Dividend Paid	-	-	-	-	(45.87)	-	(45.87)
Dividend Distribution Tax	-	-	-	-	(9.34)	-	(9.34)
Balance as at 31st March, 2018	**109.10**	**8.41**	**552.36**	**5.52**	**1,615.82**	**107.16**	**2,398.37**
Balance as at 1st April, 2018	109.10	8.41	552.36	5.52	1,615.82	107.16	2,398.37
Profit for the year	-	-	-	-	407.47	-	407.47
Other Comprehensive Income/ (Expense) for the year (Net of Tax)	-	-	-	-	(3.27)	(22.33)	(25.60)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**404.20**	**(22.33)**	**381.87**
Dividend Paid	-	-	-	-	(61.18)	-	(61.18)
Dividend Distribution Tax	-	-	-	-	(12.57)	-	(12.57)
Balance as at 31st March, 2019	**109.10**	**8.41**	**552.36**	**5.52**	**1,946.27**	**84.83**	**2,706.49**

See accompanying notes to the Consolidated Financial Statements

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No. 117366W/W-100018

R. A. Banga
Partner
Membership No. 037915

Pune : 29th May, 2019

For and behalf of Board of Directors of Finolex Cables Limited

D. K. Chhabria
Executive Chairman

M. Viswanathan
Dy. Managing Director &
Chief Financial Officer

P. G. Pawar
Director

R.G. D'Silva
Company Secretary &
President (Legal)

Pune : 29th May, 2019

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

1. Corporate Information

The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges (i.e. BSE & NSE) in India. The registered office of the Company is located at 26/27, Mumbai-Pune Road, Pimpri, Pune 411018 (India). The Company is principally engaged in the manufacturing of Electricals Cables, Communication Cables & other electrical appliances

These Consolidated Financial Statements for the year end 31st March, 2019 were approved for issue by the Board of Directors in accordance with their resolution dated 29th May, 2019.

2. Summary of Significant Accounting Policies

2.1 Basis of preparation of consolidated financial statements:

These consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

These financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which have been measured at fair value.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The consolidated financial statements are presented in INR and all values are rounded to the nearest crore in single digit, except where otherwise indicated.

2.2 Basis of Consolidation

2.2.1 The consolidated financial statements comprise the financial statements of the Company and its Joint Ventures & Associate as at disclosed in note 2.2.9

2.2.2 An Associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

2.2.3 A Joint Venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint ventures. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

2.2.4 The Company's investments in its associate and joint ventures are accounted for using the equity method. Under the equity method, the investment in a joint ventures or an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Company's share of net assets of the associate or joint ventures since the acquisition date. Goodwill relating to the associate or joint ventures is included in the carrying amount of the investment and is not tested for impairment individually.

2.2.5 The statement of profit and loss reflects the Company's share of the results of operations of the associate or joint ventures. Any change in Other Comprehensive Income (OCI) of those investees is presented as part of the Company's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint ventures, the Company recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Company and the associate or joint ventures are eliminated to the extent of the interest in the associate or joint ventures.

2.2.6 If an entity's share of losses of an associate or joint ventures equals or exceeds its interest in the associate or joint ventures (which includes any long term interest that, in substance, form part of the Company's net investment in the associate or joint ventures), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate or joint ventures. If the associate or joint ventures subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

2.2.7 The aggregate of the Company's share of profit or loss of an associate and joint ventures is disclosed on the face of the statement of profit and loss. The financial statements of the associate or joint ventures are prepared for the same reporting period as the Company. When necessary, adjustments are made to bring the accounting policies in line with those of the Company.

2.2.8 After application of the equity method, the Company determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint ventures. At each reporting date, the Company determines whether there is objective evidence that the investment in the associate or joint ventures is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate or joint ventures or and its carrying value, and then recognises the loss as 'Share of profit of a joint venture and an associate' in the statement of profit or loss.

Upon loss of significant over the associate or joint venture, the Company measures and recognises any retained investment at its fair value upon loss of significant influence over the associate or joint control over the joint venture. Any difference between the carrying amount of an associate or joint ventures upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

2.2.9 Details of Associates and Joint Ventures at the end of the reporting period which are considered in the preparation of the consolidated financial statements

Name of Entity	Principal Activity	Nature	Place of Incorporation	Proportion of ownership interest as at 31st March, 2019
Finolex J-Power Systems Pvt. Ltd.	High Voltage Cables	Joint Venture	India	49%
Corning Finolex Optical Fiber Pvt. Ltd.	Optical Fibers	Joint Venture	India	50%
Finolex Industries Ltd.	Pipes and Fittings and PVC Resin	Associate	India	32.39%

Other Significant Accounting Policies

2.3 Use of estimates and judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, useful lives of property, plant and equipment, provisions and contingent liabilities and fair value measurement of financial instruments. Key source of estimation of uncertainty in respect of employee benefits and measurement of deferred tax assets have been discussed in their respective policies.

2.4 Critical accounting estimates

i) Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The policy for the same has been explained under Note 2.12.

ii) Provisions

Provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. The policy for the same has been explained under Note 2.17.

iii) Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The policy has been further explained under note 2.18.

2.5 Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when it is:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets or liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.6 Revenue recognition

Effective 1st April 2018, the Company adopted Ind-AS 115 "Revenue from Contracts with Customers" using the cumulative catch up transition method, applied to contracts that were not completed as of 1st April, 2018. In accordance with the cumulative catch up transition method, the comparatives have not been retrospectively adjusted.

The effect on adoption of Ind-AS 115 was insignificant.

Sale of goods

Revenue from the sale of goods is recognized at point in time when control of the goods is transferred to the customer, usually on delivery of the goods, customer acceptance and other indicators of transfer of control of goods to the customer. Revenue from sale of goods is measured at an amount that reflects the consideration ("transaction price") expected to receive in exchange for those goods.

Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividends

Revenue is recognized when the Company's right to receive the dividend is established, which is generally when shareholders approve the dividend.

2.7 Foreign Currencies

The Functional Currency of the company is in the Indian rupee. Transactions in foreign currencies are

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

recorded at the exchange rate prevailing on the date of the transaction. Realised gains and losses as well as exchange differences arising on translation (at year end exchange rates) of monetary assets and monetary liabilities outstanding at the end of the year are recognised in the statement of Profit and Loss.

Non-monetary assets and liabilities that all are measured in terms of historical cost in foreign currencies are not retranslated.

2.8 Government Grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grant will be received. Government grants relating to income are determined and recognised in the statement of profit and loss over the period necessary to match them with the cost that they are intended to compensate and presented within other income. Government grants relating to the purchase of property, plant and equipment are reduced from the cost of the assets. The benefit of a Government loan at a below market rate of interest is treated as a Government grant, measured as the difference between proceeds received and the fair value of loan based on prevailing market interest rates.

2.9 Employee Benefits

2.9.1 Defined contribution plans

(a) Provident Fund

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or reduction in the future payments is available.

(b) Superannuation and ESIC:

Superannuation fund and employees' state insurance scheme (ESI), which are defined contribution schemes, are charged to the Statement of Profit and Loss on accrual basis. The Company has no further obligations for future superannuation fund benefits other than its annual contributions.

2.9.2 Defined benefits plans (Gratuity)

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans. A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

2.9.3 Compensated absences:

The Company provides for the compensated absences subject to Company's certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment or availment. The liability is provided based on the number of days of un-availed leave at each Balance Sheet date on the basis of an independent actuarial valuation using the Projected Unit Credit method. The liability which is not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised based on actuarial valuation as at the Balance Sheet date. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss in the period in which they occur.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

2.10 Leases:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

i. Finance lease

Where the Company, as a lesser, leases assets under finance lease, such amounts are recognized as receivables at an amount equal to the net investment in the lease and the finance income is based on constant rate of return on the outstanding net investment. Assets taken on finance lease are initially recognized as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance costs and reduction of outstanding liability. Finance costs are recognized as an expense in the statement of profit or loss over the period of lease, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with Company's general policy on borrowing costs.

ii. Operating lease

Lease arrangements under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease rental under operating lease are recognized in the Statement of Profit and Loss on a straight line basis over the lease term.

2.11 Income Taxes

Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India where it generates taxable income. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Taxes

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

For operations carried out under tax holiday period (80IA benefits of Income Tax Act, 1961), deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

2.12 Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use and for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Depreciation commences when the assets are ready for their intended use. Freehold land and Assets held for sale are not depreciated.

Depreciation is provided for property, plant and equipment so as to expense the cost less residual value over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual value are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

The estimated useful lives in respect of Property, plant and equipment are mentioned below:

Asset Class	Useful Life Adopted (Years)	Useful Life as per Schedule –II (Years)
Plant & Machinery	10 to 25*	15
Solar Plant	25	NA
Buildings-Factory	30	30
Buildings-Others	60	60
Furniture &Fittings	10	10
Office Equipments	5	5
Computers & Peripherals	3 to 6	3 to 6
Vehicles	8	8
Dies &Moulds	6*	8

*As evaluated by internal technical personnel

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, as appropriate.

2.13 Intangible Assets

Intangible assets acquired separately are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the statement of profit or loss in the period in which the expenditure is incurred.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

The amortization policy applied to the Company's intangible assets to the extent of depreciable amount is, as follows:

Particulars	Amortisation
Computer Software	Over a period of 5 years

2.14 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurred in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.15 Assets Held For Sale

Non-current assets held for sale are measured at the lower of their carrying value and fair value of the assets less costs to sale. Assets and liabilities classified as held for sale are presented separately in the balance sheet. Property, plant and equipment once classified as held for sale are not depreciated/ amortised.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

2.16 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of inventories is determined on weighted average. Cost for this purpose includes cost of direct materials, direct labour, appropriate share of overheads. Net realisable value represents the estimated selling price in the ordinary course of business less all estimated costs of completion and estimated costs necessary to make the sale.

Obsolete, defective, unserviceable and slow / non-moving stocks are duly provided for and valued at net realisable value.

2.17 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Warranty Provisions

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the Company's best estimate of the expenditure required to settle the Company's obligation.

2.18 Financial Assets and Financial Liabilities

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

2.19 Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.19.1 Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.19.2Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

2.19.3Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

2.19.4 Investment in Joint Ventures and Associates

Investment in joint ventures and associates are measured and stated at cost less impairment as per Ind AS 27 - Separate Financial Statements.

2.19.5 Impairment of financial assets (other than financial assets at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

2.20 Financial liabilities and equity instruments

2.20.1 Classification as debt or equity

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.20.2 Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognized in statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.20.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

2.21 Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately.

2.22 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.23 Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity

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for the year ended 31st March, 2019

shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

2.24 Impairment of assets

Assets are tested for impairment whenever changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lower levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Nonfinancial assets other than goodwill that suffered an impairment are reviewed for possible reversals of the impairment at the end of each reporting period.

2.25 Recent accounting pronouncements

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

Ind AS 116 Leases:

Ind AS 116 Leases was notified in March 2019 and it replaces Ind AS 17 Leases. Ind AS 116 is effective for annual periods beginning on or after 1st April, 2019. It sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Ind AS 116 requires lessees and lessors to make more extensive disclosures than under Ind AS 17. The Company is in the process of evaluating the requirements of the standard and its impact on its financial statements.

Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in statement of profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) the entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not expect this amendment to have any impact on its financial statements.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.

Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Company does not currently have any such long-term interests in associates and joint ventures.

Ind AS 103 – Business Combinations and Ind AS 111- Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The Company will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

Note 3 : Property, Plant and Equipment

(Rs. In Crore)

	Land	Lease hold Land	Buildings@	Plant and equipment	Furniture & Fittings	Office Equipment	Computers, Peripherals	Vehicles	Total
Cost									
Balance as at 1st April, 2018	29.96	15.30	167.97	322.00	2.30	2.94	2.51	5.04	548.02
Additions	5.10	-	1.49	32.10	0.09	0.39	0.42	0.09	39.68
(Disposals)	-	-	-	(5.93)	-	-	(0.02)	(1.14)	(7.09)
Balance as at 31st March, 2019	**35.06**	**15.30**	**169.46**	**348.17**	**2.39**	**3.33**	**2.91**	**3.99**	**580.61**
Accumulated Depreciation & Impairment									
Balance as at 1st April, 2018	-	0.50	20.48	114.55	0.79	1.51	0.59	1.60	140.02
Depreciation expense for the year	-	0.16	6.62	31.50	0.24	0.39	0.62	0.74	40.27
(Disposals)	-	-	-	(2.13)	-	-	(0.01)	(1.04)	(3.18)
Balance as at 31st March, 2019	**-**	**0.66**	**27.10**	**143.92**	**1.03**	**1.90**	**1.20**	**1.30**	**177.11**
Net Carrying Amount as at 31st March, 2019	**35.06**	**14.64**	**142.36**	**204.25**	**1.36**	**1.43**	**1.71**	**2.69**	**403.50**

(Rs. In Crore)

	Land	Lease hold Land	Buildings	Plant and equipment	Furniture & Fittings	Office Equipment	Computers, Peripherals	Vehicles	Total
Cost									
Balance as at 1st April, 2017	13.88	15.30	167.47	307.05	2.29	2.15	2.35	4.84	515.33
Additions	16.08	-	0.50	20.20	0.01	0.79	0.31	0.33	38.22
(Disposals)	-	-	-	(5.25)	-	-	(0.15)	(0.13)	(5.53)
Balance as at 31st March, 2018	**29.96**	**15.30**	**167.97**	**322.00**	**2.30**	**2.94**	**2.51**	**5.04**	**548.02**
Accumulated Depreciation & Impairment									
Balance as at 1st April, 2017	-	0.33	13.76	84.91	0.49	1.13	0.07	0.97	101.66
Depreciation expense for the year	-	0.17	6.72	34.65	0.30	0.38	0.65	0.72	43.59
(Disposals)	-	-	-	(5.01)	-	-	(0.13)	(0.09)	(5.23)
Balance as at 31st March, 2018	-	0.50	20.48	114.55	0.79	1.51	0.59	1.60	140.02
Net Carrying Amount as at 31st March, 2018	**29.96**	**14.80**	**147.49**	**207.45**	**1.51**	**1.43**	**1.92**	**3.44**	**408.00**

Note: @ Buildings include Rs. * crore being cost of ordinary shares in co-operative housing societies.

* Denotes amount less than Rs. 50,000

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

Note 4 : Intangible Assets

(Rs. In Crore)

	Computer Software $
Cost	
Balance as at 1st April, 2018	**1.51**
Additions	-
(Disposals)	-
Balance as at 31st March, 2019	**1.51**
Accumulated Amortisation & Impairment	
Balance as at 1st April, 2018	**0.52**
Amortisation expenses for the year	0.28
(Disposals)	-
Balance as at 31st March, 2019	**0.80**
Net Carrying Amount as at 31st March, 2019	**0.71**
Cost	
Balance as at 1st April, 2017	**1.51**
Additions	-
(Disposals)	-
Balance as at 31st March, 2018	**1.51**
Accumulated Amortisation & Impairment	
Balance as at 1st April, 2017	**0.31**
Amortisation expenses for the year	0.21
(Disposals)	-
Balance as at 31st March, 2018	**0.52**
Net Carrying Amount as at 31st March , 2018	**0.99**

Note : $ Other than internally generated intangible assets.

Note 5 : Investments accounted for using the equity method

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
I) Investment in Associate accounted using the equity method			
	(i) Equity shares Quoted		
40,192,597	Equity Shares of Rs. 10 each fully paid in Finolex Industries Limited (Previous Year 40,192,597)	524.54	454.36
II) Investment in Joint Ventures accounted using Equity Method			
	(ii) Equity shares Unquoted		
152,635,000	Equity Shares of Rs.10 each fully paid in Finolex J-Power Systems Private Limited (Previous Year 133,770,000)	52.01	51.28
1,750,000	Equity Shares of Rs.10 each fully paid in Corning Finolex Optical Fibre Private Limited (Previous Year 1,750,000)	14.20	7.08
	Total	**590.75**	**512.72**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

Note 5.1 : Summarised Financial Information

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
I.	**Finolex Industries Limited**		
	Non -Current Assets	2,279.26	2,696.75
	Current Assets	1,053.45	808.10
	Non -Current Assets held for sale	-	-
	Non-Current Liabilities	(241.07)	(219.85)
	Current Liabilities	(515.45)	(491.07)
	Net Assets	**2,576.19**	**2,793.93**
	Revenue	3,131.73	2,855.80
	Profit for the year	367.25	306.33
	Other Comprehensive Income/(Expense) for the year	(436.34)	346.40
	Total Comprehensive Income for the year	(69.09)	652.73
	Dividends received from the Associate	40.19	46.22
	Reconciliation of the above mentioned summarised financial information to the carrying amount of interest in the Associate recognised in consolidated financial statements:		
	Net assets of the Associate	2,576.19	2,795.12
	Less : Unrealised gain in respect of investments held in the Company by the Associate	(956.76)	(1,392.34)
	Total	**1,619.43**	**1,402.78**
	Proportion of ownership interest in the Associate	32.39%	32.39%
	Carrying amount of the Group's interest in the Associate	**524.54**	**454.36**
II.	**Finolex J-Power Systems Private Limited**		
	Non -Current Assets	160.68	175.03
	Current Assets	60.54	49.69
	Non-Current Liabilites	(16.60)	(23.48)
	Current Liabilities	(98.47)	(96.60)
	Net Assets	**106.15**	**104.64**
	Revenue	48.14	31.71
	Loss for the year	(35.74)	(32.05)
	Other Comprehensive Income/(Expense) for the year	(0.06)	(0.01)
	Total Comprehensive Income for the year	(35.80)	(32.06)
	Dividends received from the Joint Venture	Nil	Nil
	Reconciliation of the above mentioned summarised financial information to the carrying amount of interest in the Joint Venture recognised in consolidated financial statements:		
	Net assets of the Joint Venture	106.15	104.64
	Proportion of ownership interest in the Joint Venture	49%	49%
	Carrying amount of the Group's interest in the Joint Venture	**52.01**	**51.28**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
III.	**Corning Finolex Optical Fibre Private Limited**		
	Non -Current Assets	Nil	Nil
	Current Assets	118.67	89.17
	Non-Current Liabilites	Nil	Nil
	Current Liabilities	(90.29)	(75.02)
	Net Assets	**28.38**	**14.15**
	Revenue	327.63	237.26
	Profit for the year	14.23	11.32
	Other Comprehensive Income/(Expense) for the year	Nil	Nil
	Total Comprehensive Income for the year	14.23	11.32
	Dividends received from the Joint Venture	Nil	Nil
	Reconciliation of the above mentioned summarised financial information to the carrying amount of interest in the Joint Venture recognised in consolidated financial statements:		
	Net assets of the Joint Venture	28.38	14.15
	Proportion of ownership interest in the Joint Venture	50%	50%
	Carrying amount of the Group's interest in the Joint Venture	**14.20**	**7.08**

Note 5.2: Disclosure as per Ind-AS 36 - "Impairment of Assets" - net Investment in the equity instruments Joint Ventures
The Company's investment in Finolex J-Power Systems Private Ltd, (FJPS) is long term and strategic in nature. FJPS is engaged in manufacturing and sale of extra high voltage power cables. The operations of FJPS continued to be adversely impacted by economic slowdown and has continued to incur losses, resulting in its net worth being partially eroded. The management expects improvement in operations of FJPS upon revival of the economic environment and along with the Joint Venture partner, continues to support FJPS operations by infusion of equity as required.

Considering the above, the management has tested the entire carrying amount of the investment for impairment in accordance with Ind-AS 36 by comparing its recoverable amount (higher of value in use and fair value less cost to sell) with its carrying amount.

The Company's management determined the recoverable amount based on the discounted cash flows of FJPS and has concluded that no impairment is required.

Key assumptions used for value in use to determine the recoverable value are:

1- Discount rate - Weighted Average Cost of Capital (WACC) - 14 % (Previous year 14%)

2- Terminal growth rate 5 % (Previous year 4 %)

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

Note 6 : Other Investments - Non-Current

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
a)	**Investments at fair value through Other Comprehensive Income (FVTOCI) (fully paid)**		
	i) Equity shares- Quoted		
61,000	Equity Shares of Rs. 2 each fully paid in Bharat Forge Limited (Previous Year 61,000)	3.12	4.27
358,500	Equity Shares of Rs. 10 each fully paid in IndusInd Bank Limited (Previous Year 358,500)	63.89	64.37
168,750	Equity Shares of Rs. 5 each fully paid in BF Utilities Limited (Previous Year 168,750)	3.30	6.48
168,750	Equity Shares of Rs. 5 each fully paid in BF Investment Limited (Previous Year 168,750)	4.48	4.73
300	Equity Shares of Rs. 10 each fully paid in Delton Cables Limited (Previous Year 300)	*	*
25,096	Equity Shares of Rs. 2 each fully paid in ICICI Bank Limited (Previous Year 25,096)	1.00	0.70
200,000	Equity Shares of Rs. 5 each fully paid in Kirloskar Ferrous Limited (Previous Year 200,000)	1.95	1.69
100	Equity Shares of Rs. 2 each fully paid in Nicco Corporation Limited (Previous Year 100)	*	*
100	Equity Shares of Rs. 1 each fully paid in Usha Martin Education & Solutions Limited (Previous Year 100)	*	*
	Total Equity shares - Quoted (i)	**77.74**	**82.24**
	ii) Equity shares Unquoted		
1,000,000	Equity Shares of Rs. 10 each fully paid in Finolex Plasson Industries Pvt Limited (Previous Year 1,000,000)	16.10	11.25
1,000	Equity shares of Rs. 10 each fully paid up in the Saraswat Co-op Bank Ltd.(Previous year 1,000)	*	*
967,700	Equity Shares of Rs. 10 each fully paid in SICOM India Limited (Previous Year 967,700)	0.84	21.02
5,373,938	Equity Shares of Rs. 10 each fully paid in Finolex Infrastructure Limited (Previous Year 5,373,938)	8.58	8.58
	Total Equity shares -Unquoted (ii)	**25.52**	**40.85**
	Total FVTOCI Investments (i+ii)	**103.26**	**123.09**
b)	**Investments at fair value through Profit & Loss (FVTPL)**		
	Investment in Fixed Maturity Plan - Unquoted		
5,000,000	Units of Rs. 10 each of Axis Fixed Term Plan Series 102 (1,133 Days) - Growth (Previous Year Nil)	5.06	-
7,500,000	Units of Rs. 10 each of Franklin India Fixed Maturity Plan-Series 1 Plan A - Growth (Previous Year 7,500,000)	8.58	7.98
10,000,000	Units of Rs. 10 each of Franklin India Fixed Maturity Plan-Series 2 Plan A - Growth (Previous Year 10,000,000)	10.85	10.14
5,000,000	Units of Rs. 10 each of Franklin India Fixed Maturity Plan-Series 6 Plan C (1,169 Days) - Growth (Previous Year Nil)	5.03	-

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
5,000,000	Units of Rs. 10 each of HDFC FMP - 1,133 Days - Feb 2019 (1) - Regular -Growth-Series 44 (Previous Year Nil)	5.07	-
5,000,000	Units of Rs. 10 each of HDFC FMP - 1,126 Days - Mar 2019 (1) - Regular -Growth-Series 44 (Previous Year Nil)	5.05	-
10,000,000	Units of Rs. 10 each of Birla Sun Life Fixed Term Plan-Series OF (1151 Days)-Growth-Regular Plan (Previous Year 10,000,000)	11.27	10.77
10,000,000	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series OX (1234 Days)-Growth-Regular Plan (Previous Year 10,000,000)	10.92	10.17
2,500,000	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PB (1190 Days)-Growth-Regular Plan (Previous Year 2,500,000)	2.72	2.54
2,500,000	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PD (1177 Days)-Growth-Regular Plan (Previous Year 2,500,000)	2.72	2.53
2,500,000	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PE (1159 Days)-Growth-Regular Plan (Previous Year 2,500,000)	2.71	2.53
2,500,000	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PH (1143 Days)-Growth-Regular Plan (Previous Year 2,500,000)	2.70	2.52
10,000,000	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series SI (1,141 Days)-Regular -Growth (Previous Year Nil)	10.12	-
5,000,000	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series SJ (1,135 Days)-Regular -Growth (Previous Year Nil)	5.04	-
10,000,000	Units of Rs. 10 each of ICICI Prudential Fixed Maturity Plan-Series 80 - 1245 Days Plan L Cumulative (Previous Year 10,000,000)	11.59	10.75
2,500,000	Units of Rs. 10 each of ICICI Prudential Fixed Maturity Plan-Series 82 - 1185 Days Plan A Cumulative (Previous Year 2,500,000)	2.72	2.52
5,000,000	Units of Rs. 10 each of ICICI Fixed maturity plan Series 82-1236 days-Plan A Cumulative (Previous Year 5,000,000)	5.47	5.09
10,000,000	Units of Rs. 10 each of ICICI Fixed Maturity Plan Series 85 - 1,156 Days - Plan G Cumulative (Previous Year Nil)	10.10	-
12,500,000	Units of Rs. 10 each of IDFC Fixed Term Plan Series 131 Regular Plan - Growth (Previous Year 12,500,000)	14.34	13.35
10,000,000	Units of Rs. 10 each of Kotak FMP Series 200 Growth (Regular Plan) (Previous Year 10,000,000)	11.46	10.70
46,830	Units of Rs. 1,000 each of Invesco India Money Market Fund - Growth Option (Previous Year Rs. Nil)	10.00	-
10,000,000	Units of Rs. 10 each of Kotak FMP Series 263 -Growth (Regular Plan) (Previous Year Nil)	10.11	-
10,000,000	Units of Rs. 10 each of Kotak FMP Series 265 -Growth (Regular Plan) (Previous Year Nil)	10.07	-
5,000,000	Units of Rs. 10 each of Reliance Fixed Horizon Fund-XLI-Series 1 - Growth Plan (Previous Year Nil)	5.04	-
10,000,000	Units of Rs. 10 each of Reliance Fixed Horizon Fund - XXXIII- Series 3-Growth Plan (Previous Year 10,000,000)	11.57	10.74
10,000,000	Units of Rs. 10 each of Reliance Fixed Horizon Fund - XXXIII- Series 4-Growth Plan (Previous Year 10,000,000)	11.57	10.73
10,000,000	Units of Rs. 10 each of Reliance Fixed Horizon Fund - XXXVI- Series 7-Growth Plan (Previous Year 10,000,000)	10.90	10.16

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
2,500,000	Units of Rs. 10 each of Reliance Fixed Horizon Fund - XXXV- Series 14 (1214 Days)- Growth Plan (Previous Year 2,500,000)	2.72	2.54
2,500,000	Units of Rs. 10 each of Reliance Fixed Horizon Fund - XXXV- Series 15 (1207 Days)- Growth Plan (Previous Year 2,500,000)	2.72	2.54
10,000,000	Units of Rs. 10 each of SBI Debt Fund Series - B -49 (1170 Days) - Regular Growth (Previous Year 10,000,000)	11.47	10.70
5,000,000	Units of Rs. 10 each of SBI Debt Fund Series - C -7 (1190 Days) - Regular Growth (Previous Year 5,000,000)	5.42	5.08
2,500,000	Units of Rs. 10 each of SBI Debt Fund Series - C - 9 (1150 Days) - Regular Growth (Previous Year 2,500,000)	2.71	2.53
10,000,000	Units of Rs. 10 each of SBI Debt Fund Series - C - 48 (1,177 Days) - Regular Growth (Previous Year Nil)	10.06	-
5,000,000	Units of Rs. 10 each of L&T FMP Series 16 - Plan A (1233 Days) - Growth (Previous Year 5,000,000)	5.46	5.09
5,000,000	Units of Rs. 10 each of UTI Fixed Term Income Fund Series - XXVII - IV (1204 Days) - Growth Plan (Previous Year 5,000,000)	5.45	5.08
10,000,000	Units of Rs. 10 each of UTI Fixed Term Income Fund Series - XXVI - V (1160 Days) - Growth Plan (Previous Year 10,000,000)	11.55	10.74
2,500,000	Units of Rs. 10 each of UTI Fixed Term Income Fund Series - XXVI - IX (1161 Days) - Growth Plan (Previous Year 2,500,000)	2.71	2.52
2,500,000	Units of Rs. 10 each of UTI Fixed Term Income Fund Series - XXVII-IV (1190 Days) - Growth Plan (Previous Year 2,500,000)	2.72	2.54
2,500,000	Units of Rs. 10 each of UTI Fixed Term Income Fund Series - XXVIII-IV (1171 Days) - Growth Plan (Previous Year 2,500,000)	2.72	2.54
5,000,000	Units of Rs. 10 each of UTI Fixed Term Income Fund Series XXXI - X (1,168 days) Regular Growth Plan (Previous Year Nil)	5.03	-
10,000,000	Units of Rs. 10 each of DSP Black Rock FMP-Series 204 (37M)-Regular Plan-Growth (Previous Year 10,000,000)	11.51	10.72
10,000,000	Units of Rs. 10 each of Sundaram Fixed Term Plan IS - Regular Plan-Growth Option (Previous Year Nil)	10.05	-
	Regrouping		
	Total Investment at FVTPL	**305.08**	**185.84**
	Total Other Investment 6=(a+b)	**408.34**	**308.93**
	Aggregate carrying value of Quoted Investment and Market Value	**77.74**	**82.24**
	Aggregate carrying value of Unquoted Investment	**330.60**	**226.69**

* Denotes amount less than Rs. 50,000

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

Note 7 : Current Investments

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
Investments at fair value through profit or loss (FVTPL)			
	Investments in Mutual Funds / Fixed Maturity Plan (FMP) - Unquoted		
252,116	Units of Rs. 1000 each of Axis Liquid Fund-Growth (Previous Year 254,076)	52.06	48.80
-	Units of Rs. 1,000 each of Axis Treasury Advantage Fund - Growth (Previous Year 27,532)	-	5.33
1,595,768	Units of Rs. 100 each of Birla Sun Life Cash Plus-Growth-Regular Plan (Previous Year 1,551,663)	47.71	43.17
599,338	Units of Rs. 100 each of Aditya Birla Sun Life Money Manager Fund - Growth-Regular Plan (Previous Year Rs. Nil)	15.00	-
-	Units of Rs. 1,000 each of SBI Ultra Short Term Debt Fund - Regular Plan - Growth (Previous Year 47,609)	-	10.67
-	Units of Rs. 10 each of SBI Magnum Insta Cash Fund-Liquid Floater-Regular Plan-Growth (Previous Year 8,709)	-	2.51
11,123,872	Units of Rs. 10 each of Sundaram Money Fund- Regular-Growth (Previous Year 7,463,652)	43.64	27.24
-	Units of Rs. 10 each of Reliance Monthly Interval Fund -Series II-Growth Plan-Growth Option (Previous Year 1,096,193)	-	2.52
-	Units of Rs. 10 each of Kotak FMP Series 218 - Growth-Regular Plan (Previous Year 2,500,000)	-	2.52
143,919	Units of Rs. 1,000 each of L&T Liquid Fund - Regular - Growth (Previous Year 89,917)	36.75	21.36
-	Units of Rs.10 each of Reliance Quarterly Interval Fund -Series II -Direct Plan - Growth Plan (Previous Year 2,116,169)	-	5.05
-	Units of Rs. 10 each of IDFC Yearly Series Interval Fund - Regular Plan - Series II -Growth (Previous Year 1,669,384)	-	2.52
142,354	Units of Rs. 1,000 each of DSP Black Rock Liquidity Fund-Institutional Plan-Growth (Previous Year 204,747)	37.85	50.65
2,729,042	Units of Rs. 10 each of DSP Savings Fund - Regular Plan - Growth (Previous Year Nil)	10.00	-
150,327	Units of Rs.1,000 each of Franklin India Treasury Management Account-Super Institutional Plan-Growth (Previous Year 128,708)	41.91	33.35
-	Units of Rs. 10 each of Franklin India Ultra Short Bond Fund - Super Institutional Plan - Growth (Previous Year 2,245,728)	-	5.40
4,368,097	Units of Rs. 10 each of Franklin India Savings Fund - Retail Option - Growth (Previous Year Nil)	15.00	-
94,980	Units of Rs.1,000 each of HDFC Liquid Fund - Growth (Previous Year 113,058)	34.77	38.56
-	Units of Rs.10 each of HDFC FMP 92D February 2018 (1) - Regular- Growth- Series 39 (Previous Year 2,500,000)	-	2.52
-	Units of Rs.10 each of HDFC FMP 92D March 2018 -Regular-Growth- Series 39 (Previous Year 2,500,000)	-	2.51
38,614	Units of Rs. 10 each of HDFC Money Market Fund - Regular Plan - Growth (Previous Year Nil)	15.00	-
26,964	Units of Rs.1,000 each of HSBC Cash Fund - Growth (Previous Year Nil)	5.00	-

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
1,440,872	Units of Rs. 100 each of ICICI Prudential Liquid Plan- Growth (Previous Year 2,135,712)	39.68	54.76
-	Units of Rs. 100 each of ICICI Prudential Flexible Income- Growth (Previous Year 321,193)	-	10.71
-	Units of Rs. 10 each of ICICI Prudential Fixed Maturity Plan-Series 82 - 103 Days Plan O Cumulative (Previous Year 2,500,000)	-	2.52
579,745	Units of Rs. 10 each of ICICI Pru Money Market Fund - Growth (Previous Year Nil)	15.01	-
176,228	Units of Rs. 1,000 each of IDFC Cash Fund -Growth-Regular Plan (Previous Year 183,027)	39.78	38.50
1,736,593	Units of Rs. 10 each of IDFC Money Manager Fund - Growth - Regular Plan (Previous Year Nil)	5.00	-
7,028,228	Units of Rs.10 each of JM High Liquidity Fund-Growth (Previous Year 8,269,899)	35.80	39.18
3,127,737	Units of Rs. 10 each of L&T Money Market Fund - Growth (Previous Year Nil)	5.78	-
64,194	Units of Rs.1,000 each of Kotak Liquid Regular Plan -Growth (Previous Year 72,959)	24.22	25.63
-	Units of Rs. 10 each of Kotak Treasury Advantage Fund-Growth (Regular Plan) (Previous Year 1,920,034)	-	5.34
48,770	Units of Rs. 1,000 each of Kotak Money Market Scheme - Growth (Regular Plan) (Previous Year Nil)	15.01	-
-	Units of Rs. 10 each of L&T Floating Rate Fund - Growth (Previous Year 3,127,737)	-	5.38
122,129	Units of Rs.1,000 each of LIC Nomura Liquid Fund-Regular Plan-Growth (Previous Year 101,432)	41.12	31.81
79,175	Units of Rs.1,000 each of Reliance Liquid Fund-Treasury Plan-Growth Plan - Growth Option (Previous Year 64,408)	35.94	27.19
-	Units of Rs.10 each of Reliance Yearly Interval Fund -Series 1 -Direct Plan - Growth Plan (Previous Year 7,718,670)	-	11.71
-	Units of Rs. 1,000 each of Reliance Money Manager Fund - Growth Plan -Growth Option (Previous Year 44,592)	-	10.68
53,151	Units of Rs. 1,000 each of Reliance Money Market Fund - Growth Plan - Growth Option (Previous Year Nil)	15.01	-
129,207	Units of Rs.1,000 each of SBI Premier Liquid Fund-Regular Plan-Growth (Previous Year 163,407)	37.68	44.37
5,183,854	Units of Rs. 10 each of SBI Savings Fund - Regular Plan - Growth (Previous Year Nil)	15.00	-
53,662	Units of Rs.1,000 each of Tata Liquid Fund-Regular Plan-Growth (Previous Year 152,467)	15.73	48.66
112,505	Units of Rs.1,000 each of UTI Liquid Cash Plan -Institutional-Growth (Previous Year 140,499)	34.31	39.86
71,468	Units of Rs. 1,000 each of UTI Money Market Fund- Regular Plan - Growth Option (Previous Year Nil)	15.00	-
72,225	Units of Rs. 1000 each of Tata Money Market Fund-Regular Plan-Growth (Previous Year Nil)	23.16	-
	Total Current Investments	**767.92**	**700.98**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

Note 8 : Loans -Non Current

(Unsecured, considered good)

(Rs. In Crore)

	As at 31st March, 2019	As at 31st March, 2018
(a) Security Deposits	3.82	3.75
	3.82	**3.75**

Note 9: Other Financial Assets

(Unsecured, considered good)

(Rs. In Crore)

	Non-Current		Current	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Carried at amortised cost				
(a) Fixed Deposit	0.22	-	-	-
(b) Fixed Deposit - Margin Money	-	0.55	0.40	-
(c) Interest accrued on Fixed Deposit	0.01	0.11	0.08	2.34
	0.23	**0.66**	**0.48**	**2.34**

Note 10 : Other Non-Current Assets

(Unsecured, considered good)

(Rs. In Crore)

	As at 31st March, 2019	As at 31st March, 2018
(a) Capital Advance (Net of Provision)	3.47	3.99
(b) Balances with Government Authorities		
(i) Sales Tax Receivables	15.35	13.38
(ii) Excise Duty Receivables	3.63	3.60
(iii) Other Receivables	0.52	0.52
	22.97	**21.49**

Note 11- Inventories

(Lower of cost and net realisable value unless stated)

(Rs. In Crore)

	As at 31st March, 2019	As at 31st March, 2018
(a) Raw materials (at cost)	115.19	106.37
(b) Work in progress	159.84	106.81
(c) Finished goods	274.31	256.19
(d) Stock in Trade (in respect of goods acquired for trading)	13.66	11.78
(e) Stores & Spares	22.32	14.62
(f) Scrap	1.88	3.29
Total inventories	**587.20**	**499.06**
Included above, goods-in-transit:		
Raw materials	19.87	18.41
Total goods-in-transit	**19.87**	**18.41**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

Note 12 : Trade Receivables - (Unsecured)

(Rs. In Crore)

	As at 31st March, 2019	As at 31st March, 2018
Considered good	210.88	174.92
Considered doubtful	9.93	5.25
Total	**220.81**	**180.17**
Less: Allowances for Credit Losses	9.93	5.25
	210.88	**174.92**

Note 12.1
Trade Receivables :
The average credit period for the Company's receivables is in the range of 30 to 60 days in respect of institutional sales and upto 190 days in case of sales to government owned entities. No interest is charged on trade receivables. Of the trade receivables balance as at 31st March, 2019, Rs. 142.87 crore (31st March, 2018 - Rs. 138.67 crore) is due from Bharat Sanchar Nigam Ltd, Bharat Broadband Nigam Ltd and Telecommunication Consultants India Ltd which represents Company's large customers. Apart from the above there are no customers which individually represents more than 5% of the total balance of trade receivables.

Expected credit loss

The Company assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The concentration of credit risk is limited due to the fact that the large customers are mainly government entities.

The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. Movement in the expected credit loss allowance:

(Rs. In Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	5.25	3.28
Movement in the expected credit loss allowance on trade receivables	4.68	1.97
calculated at lifetime expected credit losses (net)	-	-
Balance at the end of the year	**9.93**	**5.25**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

Note 13: Cash and Cash Equivalents

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
(a)	**Balances with banks:**		
	In Current Accounts	46.37	76.86
(b)	**Cash on hand**	0.01	0.01
	Total Cash and Cash Equivalents	**46.38**	**76.87**

Note 14: Other Bank Balances

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
(a)	In Earmarked Accounts		
	Unclaimed dividend	2.42	1.99
(b)	Fixed Deposits with maturity greater than 3 months but less than 12 months	-	24.75
	Total Bank balances	**2.42**	**26.74**

Note 15 : Other Current Assets

(Unsecured, considered good)

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
(a)	Goods & Services Tax Receivable	2.48	2.64
(b)	Government Grant Receivable	8.69	18.60
(c)	Balances with Government authorities	0.28	0.28
(d)	Other Advances	64.35	7.45
(e)	Prepaid Expenses	0.94	-
		76.74	**28.97**

Note 16 : Equity Share Capital

		As at 31st March, 2019		As at 31st March, 2018	
		Nos.	(Rs. In crore)	Nos.	(Rs. In crore)
I	**Authorised Share Capital**				
	235,000,000 (Previous year 235,000,000) Equity shares of Rs. 2/-each	235,000,000	47.00	235,000,000	47.00
	15,000,000 (Previous year 15,000,000) Unclassified shares of Rs. 2/- each	15,000,000	3.00	15,000,000	3.00
		250,000,000	**50.00**	**250,000,000**	**50.00**
II	**Issued, Subscribed and Paid up Share Capital**				
	Equity shares of Rs. 2 each issued, subscribed and fully paid	152,939,345	30.59	152,939,345	30.59

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	(Rs. In crore)	No. of Shares	(Rs. In crore)
(a) Reconciliation of Equity Shares at the beginning and at the end of the reporting period.				
Balance at the beginning of the year	152,939,345	30.59	152,939,345	30.59
Issued during the year	-	-	-	-
Outstanding at the end of the year	**152,939,345**	**30.59**	**152,939,345**	**30.59**

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 2 per share. Each holder of equity shares is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

On 29th May, 2019, the Board of Directors of the company have proposed a final dividend of Rs. 4.50 per share in respect of the year ended 31st March, 2019 subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in a cash outflow of Rs. 68.82 crore inclusive of dividend distribution tax of Rs. 14.15 crore.

	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	% Holding	No. of Shares	% Holding
(c) Details of shareholders holding more than 5% Shares in the company				
Finolex Industries Limited	22,187,075	14.51	22,187,075	14.51
Orbit Electricals Pvt. Limited	46,956,120	30.70	46,956,120	30.70
Franklin Templeton Mutual Fund	8,255,517	5.40	8,126,527	5.31

Note 17 : Other Equity

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
(i)	**Securities Premium**	109.10	109.10
(ii)	**Capital Reserve**	8.41	8.41
(iii)	**General Reserve**	552.36	552.36
(iv)	**Share buy back reserve**	5.52	5.52
(v)	**Retained Earnings**		-
	Opening Balance	1,615.82	1,341.42
Add:	Other Comprehensive Income/(Expenses) arising from Remeasurement of Defined Benefit Obligation (Net of Tax)	(3.27)	(0.50)
	Profit for the year	407.47	330.11
Less:	Payment of dividend	(61.18)	(45.87)
	Dividend distribution tax	(12.57)	(9.34)
	Closing Balance	**1,946.27**	**1,615.82**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
(vi)	**Equity Instruments through Other Comprehensive Income**		
	Opening Balance	107.16	93.48
	Add/Less: Change in Fair Value of Equity Instrument through other Comprehensive Income	(19.83)	15.72
	Add/Less: Deferred Tax	(2.50)	(2.04)
	Closing Balance	**84.83**	**107.16**
	Total	**2,706.49**	**2,398.37**

Nature and purpose :

Securities Premium :

Securities Premium is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

Capital Reserve

The Company recognises the difference on purchase, sale, issue or cancellation of Company's own equity instruments to Capital Reserve. Capital Reserve is utilised in accordance with the provisions of the Companies Act, 2013.

General Reserve:

General Reserve is used from time to time to transfer profits from Retained Earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General Reserve will not be reclassified subsequently to statement of profit and loss.

Share buy back reserve

During the earlier years, the Company had bought back its own equity out of free reserves. Share buy back reserve (Capital Redemption Reserve) represents amount set aside in respect of nominal value of the shares bought back as per the Companies Act, 2013.

Retained Earnings:

Retained Earnings are the profits of the Company earned till date net of appropriations.

Equity Instruments through Other Comprehensive Income

This Reserve represents the cumulative gains and losses arising on revaluation of equity instruments measured at fair value through Other Comprehensive Income, net of amounts reclassified to retained earnings when those assets are disposed off.

Note 18 :Non-Current Borrowings

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
	Non-current Borrowings		
(a)	Deferred Sales Tax	0.01	0.14
(b)	Finance lease obligation	0.37	0.41
		0.38	**0.55**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

Note 18.1: Repayment Details of Loans

(a) Deferred Sales Tax Loan : Repayable in installments, last installment being 26th April, 2020.

(b) Finance lease obligation : Repayable over 78 Years, last installment in financial year 2096-97.

Note 19 : Provisions

(Rs. In Crore)

	Non-Current		Current	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Provision for Employee Benefits				
Gratuity	1.38	-	3.38	1.63
Leave Encashment	8.04	6.97	2.44	2.67
	9.42	**6.97**	**5.82**	**4.30**
Other Provisions				
Provision for Warranties	-	-	-	0.72
Provision Other-Duties/Taxes	-	-	-	25.45
	-	-	-	26.17
	9.42	**6.97**	**5.82**	**30.47**

Note19.1: Movement in Other Provisions

(Rs. In Crore)

	Warranties (Refer Note 1)	Other duties and taxes (Refer Note 2)
Balance as at 31st March, 2017	**0.68**	**30.93**
Additional provisions recognised	0.04	-
Reduction arising from payments	-	-
Reduction arising from remeasurements/settlement without cost	-	5.48
Balance as at 31st March, 2018	**0.72**	**25.45**
Additional provisions recognised	-	-
Reduction arising from payments	-	3.29
Reduction arising from remeasurements/settlement without cost	0.72	22.16
Balance as at 31st March, 2019	**-**	**-**

Notes:

1. Provision for warranty claims represents estimated warranty liability for the products sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding failure incidence based on corrective actions on product failure.

2. During an earlier year, it was brought to the notice of the company by the Pune Metropolitan Regional Development Authority ("PMRDA") that plans for construction of plants at URSE location during 2005 to 2009 were approved by Grampanchayat instead of town planning authority and therefore needed to be regularised by the said authority. As a matter of prudence, the company had recognised a provision towards compounding charges of Rs. 25.45 crore. During the year ended 31st March, 2019, the regulatory authorities after considering the company's submission have regularised the above matter. Accordingly, during the year, the company has paid Rs. 3.29 crore as final payment towards compounding charges for regularisation and the balance provision of Rs. 22.16 crore has been reversed.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

Note 20 : Tax Expense and Deferred Tax Liability (net)

Note 20.1 : Tax Expense

(Rs. In Crore)

		Year ended 31st March, 2019	Year ended 31st March, 2018
1.	**Income Tax recognised in statement of profit and loss**		
	Current Tax:		
	In respect of current year	162.30	130.00
	In respect of previous year	3.38	1.66
		165.68	**131.66**
	Deferred tax:		
	In respect of current year	37.07	86.75
	MAT credit utilised	-	0.62
		37.07	**87.37**
	Total Income Tax expense recognised during the year	**202.75**	**219.03**
2.	**Income Tax recognised in Other Comprehensive Income**		
	Deferred tax on fair value changes on equity instruments at FVTOCI	(1.32)	(2.04)
	Total Income Tax expense recognised in other comprehensive income during the year	**(1.32)**	**(2.04)**
3.	**The Income Tax expenses for the year can be reconciled to the acounting profit as follows.**		
	Profit before tax and share of net profit of an associate and Joint venture considered for tax working	509.84	476.74
	Income tax expenses calculated at 34.94% (Previous year 34.61 %)	178.14	165.00
	Effect of income that is exempt from tax	(0.21)	(0.17)
	Effect of tax incentives	(4.82)	(28.38)
	Effect of items that are not deductible in determining taxable profit	6.84	2.08
	Effect of tax on other items	5.76	5.47
	Effect of Tax on undistributed profit	14.98	72.75
	Adjustments recognised in the current year in relation to the current tax of prior years	2.06	1.66
	MAT credit utilised	-	0.62
	Income tax expenses recognised in statement of profit and loss	**202.75**	**219.03**

Note 20.2 : Deferred Tax Liability (net)

1. The following is the analysis of Deferred Tax Liability (net) presented in the Balance Sheet:

(Rs. In Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Deferred tax assets	8.99	13.16
Deferred tax liabilities	(155.06)	(120.84)
Total - Deferred tax Liabilities (net)	**(146.07)**	**(107.68)**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

2. The tax effect of significant timing differences that has resulted in deferred tax liabilities are given below:

(Rs. in Crore)

Particulars	For the year ended 31st March, 2019			
	Opening balance	Recognised in Profit and loss	Recognised in OCI	Closing balance
Deferred Tax Assets in relation to				
Employee Benefits	2.61	1.57	1.18	5.36
Allowance for Doubtful Debt	1.73	1.74	-	3.47
Others	8.82	(8.66)	-	0.16
Total	**13.16**	**(5.35)**	**1.18**	**8.99**
Deferred Tax Liabilities in relation to				
Property, Plant and Equipment	32.53	5.08	-	37.61
Undistributed profit of associate	72.75	14.98	-	87.73
Financial assets at fair value through OCI	0.63	-	2.50	3.13
Financial assets at fair value through Profit and loss	14.93	11.66	-	26.59
Total	**120.84**	**31.72**	**2.50**	**155.06**
Deferred tax Liabilities (net)	**(107.68)**	**(37.07)**	**(1.32)**	**(146.07)**

(Rs. in Crore)

Particulars	For the year ended 31st March, 2018			
	Opening balance	Recognised in Profit and loss	Recognised in OCI	Closing balance
Deferred Tax Assets in relation to				
Employee Benefits	5.13	(2.52)	-	2.61
Financial assets at fair value through OCI	1.41	-	(1.41)	-
Allowance for Doubtful Debt	1.05	0.68	-	1.73
Minimum Alternate Tax (Credit)	0.62	(0.62)	-	-
Others	8.50	0.32	-	8.82
Total	**16.71**	**(2.14)**	**(1.41)**	**13.16**
Deferred Tax Liabilities in relation to				
Property, Plant and Equipment	34.98	(2.45)	-	32.53
Undistributed profit of associate	-	72.75	-	72.75
Financial assets at fair value through OCI	-	-	0.63	0.63
Financial assets at fair value through Profit and loss	**-**	**14.93**	**-**	**14.93**
Total	**34.98**	**85.23**	**0.63**	**120.84**
Deferred tax Liabilities (net)	**(18.27)**	**(87.37)**	**(2.04)**	**(107.68)**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

Note 21 : Trade Payables

(Rs. In Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
(a) Total Outstanding Dues of micro enterprises and small enterprises	8.22	11.98
(b) Total Outstanding Dues of Creditors other than micro enterprises and small enterprises		
(i) Trade payables	181.19	142.86
(ii) Accrued Salaries and Benefits	18.86	22.61
	200.05	**165.47**
Total	**208.27**	**177.45**

Note 21.1 : Dues to Micro enterprises and small Enterprises

(a) Outstanding to suppliers other than micro enterprises and small enterprises Rs. 200.05 crore (previous year Rs.165.47 crore)

(b) Outstanding to micro enterprises and small enterprises Rs. 8.22 crore (previous year Rs. 11.98 crore) including interest.

(Rs. In Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
(a) Principal amount due to micro and small enterprise	8.17	11.91
(b) Interest due on above	0.05	0.07
	8.22	**11.98**
Amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006 along with the amounts paid to suppliers beyond the appointed day during each accounting year.		
(a) Amount of interest due and payable for the period of delay in making payment (beyond the appointed day) but without adding the interest specified under the MSMED Act.	**-**	**-**
(b) The amount of interest accrued and remaining unpaid at the end of each accounting year	**0.05**	**0.07**

The identification of suppliers as Micro and Small Enterprises covered under the "MSMED Act, 2006" was done on the basis of the information to the extent provided by the suppliers to the Company. This has been relied upon the auditors.

Note 22 : Other Current Financial Liabilities

(Rs. In Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Carried at amortised cost		
(a) Current Maturities of Long term Debts		
Deferred Sales Tax Loan	0.13	0.25
Finance lease obligation	0.04	0.04
(b) Unpaid Dividend (refer note below)	2.42	1.98
(c) Other Payables		
Deposits from Distributors	0.69	0.72
Other Liabilities	0.04	0.04
	3.32	**3.03**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

Note:

The Company is in process of ascertaining the quantum of shares to be transferred to Investor Education and Protection Fund (IEPF), in terms of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended.

Note 23 : Other Current Liabilities

(Rs. In Crore)

	As at 31st March, 2019	As at 31st March, 2018
(a) Statutory Dues payable		
(i) Sales Tax Payables	0.01	-
(ii) Goods & Services Tax Payables	12.06	10.78
(iii) TDS Payables	0.89	1.06
(iv) Employee related dues payable	1.14	0.98
(b) Advance from customers	8.32	7.89
(c) Other payables	0.04	0.04
	22.46	**20.75**

Note 24 : Revenue From Operations:

(Rs. In Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
(a) Sale of Products (including excise duty)	3,030.07	2,838.73
(b) Other operating revenue-Sale of scrap	47.72	45.50
	3,077.79	**2,884.23**

Notes:

(i) Consequent to introduction of Goods and Service Tax (GST) with effect from 1st July, 2017, Central Excise, Value Added Tax (VAT) etc. have been subsumed to GST. In accordance with Ind AS -115 on Revenue and Schedule III of the Companies Act, 2013, unlike Excise Duties, levies like GST, VAT are not part of Revenue.

(Rs. In Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
(ii) Sale of Products includes:		
Sale of Manufactured products	2,966.97	2717.71
Sale of Traded Goods	63.10	51.91
Excise Duty Collected from Customers	-	69.11
Total	**3,030.07**	**2,838.73**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

(iii) Disaggregation of the revenue information

The table below presents disaggregated revenue by geography and offerings for each of products.

Revenue from sale of products

(Rs. In Crore)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
A. Electrical cables	2,444.73	2,251.52
B. Communication cables	487.29	476.39
C. Copper rods	27.04	50.91
D. Others	71.01	59.91
	3,030.07	**2,838.73**
Sale of Scrap	47.72	45.50
	3,077.79	**2,884.23**

Revenue by Geography

(Rs. In Crore)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
India	3,047.33	2,856.76
Outside India	30.46	27.47
	3,077.79	**2,884.23**

Timing of revenue recognition

(Rs. In Crore)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Goods transferred at a point of time	3,077.79	2,884.23
Goods transferred over a period of time	-	-
	3,077.79	**2,884.23**

(iv) Information about major customers

There are no major customers having revenue transactions exceeding 10% of the total revenue.

Note 25 : Other Income:

(Rs. In Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
(a) Interest income on financial assets carried at amortised cost	4.20	8.61
(b) Dividend Income		
(i) Dividend from Others- Equity Investments Designated at FVTOCI	0.60	0.51
(c) Others		
(i) Net gain/(loss) on investments classified at FVTPL	67.61	47.26
(ii) Exchange gain/(losses) on translation of Assets and Liabilities	0.41	1.27
(iii) Other Income (Refer Note 25.1)	8.82	23.53
	81.64	**81.18**

Note 25.1: Other income includes government grant of Rs. 4.79 crore (previous year Rs. 18.61 crore)

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

Note 26 : Cost of material consumed

(Rs. In Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Inventory at the beginning of the year	106.37	102.91
Add: Purchases	2,300.91	2,033.44
Less: Inventory at the end of the year	115.19	106.37
	2,292.09	**2,029.98**

Note 27 : Changes in inventories of finished goods, stock-in-trade and work-in-progress

(Rs. In Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Inventories at the end of the year (A)		
Work-in-progress	159.84	106.81
Finished goods	274.31	256.19
Stock-in-Trade	13.66	11.78
	447.81	**374.78**
Inventories at the beginning of the year (B)		
Work-in-progress	106.81	108.84
Finished goods	256.19	221.23
Stock-in-Trade	11.78	12.80
	374.78	**342.87**
(Increase)/Decrease in Inventories (B)-(A)	**(73.03)**	**(31.91)**

Note 28 : Employee benefits expense

(Rs. In Crore)

		Year ended 31st March, 2019	Year ended 31st March, 2018
(a)	Salaries, wages and bonus (refer note 28.1 below)	123.60	119.14
(b)	Contribution to provident and other funds (refer note 28.2 below)	6.62	6.18
(c)	Gratuity expense	1.41	1.45
(d)	Leave Encashment	2.99	3.42
(e)	Staff welfare and other expenses	6.08	5.27
		140.70	**135.46**

Note 28.1

Salaries, wages and bonus includes Rs. 10.88 crore (including Rs. 8.33 crore from the date of reappointment of the Executive directors) paid/ payable to the Executive directors during the year.

The resolutions for the reappointment and remuneration of the two executive directors were placed before the Annual General Meeting of the Company held on 25th September, 2018. The Hon'ble High Court of Bombay has in respect of an appeal filed in respect of aforesaid matter stated that the results of the voting shall be subject to the Order to be passed by the Hon'ble High Court in this Appeal. The matter remains pending.

Note 28.2

During the year, the Hon'able Supreme Court in another case ruled that certain allowances are to be included in computing contributions to provident fund.

The Company based on legal opinion has implemented the basis of computation in accordance with the Hon'ble Supreme Court order from 1st April, 2019. The effect of the Court Order in respect of prior years is not significant.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

Note 29 : Finance Costs

(Rs. In Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Interest on debts and borrowings	0.02	0.02
Interest others	0.90	1.42
	0.92	**1.44**

Note 30 : Depreciation and Amortization expense

(Rs. In Crore)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Depreciation on Tangible assets (note 3)	40.27	43.59
Amortization of Intangible assets (note 4)	0.28	0.21
	40.55	**43.80**

Note 31 : Other Expenses

(Rs. In Crore)

		Year ended 31st March, 2019	Year ended 31st March, 2018
(a)	Consumption of stores and spares	31.02	31.41
(b)	Power and fuel	47.98	47.47
(c)	Freight and forwarding charges	44.80	45.04
(d)	Rent	5.63	5.14
(e)	Rates and taxes (refer note 1 below)	3.02	1.50
(f)	Provision Other-Duties/Taxes (refer note 19)	(22.16)	(5.48)
(g)	Insurance	1.61	1.90
(h)	Repairs and maintenance -		
	(i) Plant and machinery	3.77	3.30
	(ii) Buildings	1.07	0.88
	(iii) Others	3.82	3.60
(i)	CSR expenditure (refer note 2 below)	9.44	4.60
(j)	Advertising and sales promotion	28.21	25.58
(k)	Travelling and conveyance	9.15	9.18
(l)	Communication costs	0.87	1.19
(m)	Legal and professional fees	6.41	5.34
(n)	Non Executive Directors' sitting fees & Commission	0.84	1.07
(o)	Payment to auditor (Refer details 1 below)	0.75	0.70
(p)	Warranty Costs (net)	(0.72)	0.04
(q)	Allowances for doubtful debts and advances	4.68	1.97
(r)	Miscellaneous expenses	18.44	18.03
(s)	Net Loss on disposal of property, plant and equipment	3.85	0.30
(t)	Bad Debts	-	1.92
		202.48	**204.68**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

Notes :

1. Payment to Auditors (Exclusive of service tax & GST)

(Rs. In Crore)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Audit Fees	0.28	0.27
For other service (certifications, etc)	0.05	0.10
Fees for limited review	0.30	0.24
For reimbursement of expenses	0.04	0.04
For taxation matters	0.08	0.05
Total	**0.75**	**0.70**

2. Details of CSR expenditure

(Rs. In Crore)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Amount required to be spent as per section 135 of the Act	7.43	5.60
Amount spent during the year	8.19	4.60
Amount spent during the year in respect of earlier years	1.25	-
Total Spent	**9.44**	**4.60**
Amount spent during the year on:		
(a) Construction/Acquisition of asset	-	-
(b) On purposes other than (a) above	9.44	4.60
Amount unspent	-	1.00

Note 32 : Contingent Liabilities and Commitments

(a) Contingent Liabilities

Claims against the company not acknowledged as debts

(Rs. In Crore)

	As at 31st March, 2019	As at 31st March, 2018
I Disputed Matters		
(i) The Company		
(a) Excise (dispute mainly on account of issues of applicablility, classification, etc. to certain goods)	45.55	41.04
(b) Customs	1.34	1.34
(c) Sales Tax (dispute mainly on account of non submission of C, F and other forms and rates of tax)	132.67	125.12
(d) Entry Tax (dispute on account of applicability, etc.)	12.39	12.39
(e) Income Tax (Including Wealth Tax)		
wherein the Company is in Appeal	20.98	14.65
where in the Department is in Appeal	14.64	30.51
(disputes relating to allowability of certain expenses, deductability, etc.)		

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
(ii)	**Share of Associate**		
	(a) Excise / Customs / Service Tax	26.86	19.01
	(b) Sales Tax	1.06	1.06
	(c) Income Tax (Including Wealth Tax)		
	wherein the Company is in Appeal	1.95	1.95
	wherein the Department is in Appeal	0.03	0.03
	(d) Others	0.45	0.45
	(e) Amount claimed by bank in respect of derivative transactions which are under dispute - Share of Associate	-	43.73
(iii)	**Share of Joint Ventures**		
	(a) Liquidated Damages	1.62	1.62
	(b) Others	3.09	9.79
II	**Other claims against the Company not acknowledged as debts**	0.28	0.28
III	**Export Promotion Capital Goods (EPCG)**		
	The Company has procured capital goods under zero duty EPCG scheme under Foreign Trade Policy. The Policy allows Import of capital goods at zero duty subject to an export obligation. The export obligation amounting Rs. 104.79 crore (previous year Rs. 104.79 crore) has not been fulfilled by the Company and hence as per the policy, the Company may have to pay the duty saving amount to Rs. 9.70 crore (previous year Rs. 14.47 crore). On the grounds of prudence Rs. 9.70 crore is provided for.	-	6.85
	Share of Joint Venture	1.94	5.41
	Total	**264.85**	**315.23**

Notes:

Future cash flows in respect of above matters are determinable only on receipt of judgments/decisions pending at various forums/authorities.

b) Capital Commitments:

(Rs. In Crore)

		As at 31st March, 2019	As at 31st March, 2018
i	**Capital Commitments (Tangible Assets) :**		
	(a) Estimated amount of contracts remaining to be executed on capital account net of advance and not provided for.	23.88	16.00
	(b) Share of Joint Venture	0.15	0.13
	(c) Share of Associate	2.98	12.87

Notes:

Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.

ii Other Commitment

In respect of Finolex J Power Systems Private Limited (Joint Venture) whose net worth has been substantially eroded, the Company along with its joint venture partner has committed to provided financial support to the joint venture as and when required.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

Note 33 : Employee Benefit Plan

1. Defined Contribution plan

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution retirement benefit plans for eligible employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions as specified under the law/scheme are paid to the Government administered Provident fund and in case of Superannuation to the Scheme set up as trust by the Company-Insurer. The Company is liable only for annual contributions.

The Company has recognised Rs. 4.83 crore (31st March, 2018 - Rs. 4.33 crore) for provident fund contributions and Rs. 1.79 crore (31st March, 2018 - Rs. 1.85 crore) for superannuation contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

2. Defined Benefit plan

Gratuity-Funded

The Company has a defined benefit gratuity plan. The gratuity plan is primarily governed by the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The level of benefits provided depends on the member's length of service and salary at the retirement date. The gratuity plan is funded plan. The fund has form a trust and is governed by Trustees appointed by the Company. The Trustees are responsible for administration of the plan assets and investment strategy in accordance with the regulations. The funds are deployed in recognised insurer managed funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimates of expected gratuity payments.

The following table sets out the status of Gratuity Plans as required under Ind AS 19.

(Rs. In Crore)

Statement showing changes in Present Value of obligations	**As at 31st March, 2019**	**As at 31st March, 2018**
Present value of obligations at the beginning of the year	17.66	16.26
Interest Cost	1.33	1.17
Current service cost	1.29	1.26
Benefits paid from the Fund	(1.94)	(1.36)
Actuarial (gain)/loss on obligations	3.46	0.33
Present Value of obligations as at end of the year	**21.80**	**17.66**
Table showing changes in the fair value of plan assets		
Fair value of plan assets at the beginning of the year	16.03	13.76
Expected return on plan assets	1.21	0.88
Contributions	1.70	2.64
Benefits paid	(1.94)	(1.36)
Return on Plan Assets, Excluding Interest Income	0.04	0.11
Fair value of plan asset at end of the year	**17.04**	**16.03**
Funded status	**78%**	**91%**
Actuarial (gain)/loss on obligations :-		
Due to change in Demographic Assumptions	-	(0.09)
Due to change in Financial Assumptions	1.72	(0.35)
Due to change in Experience	1.74	0.77
Actuarial (gain)/Loss recognised in the year	**3.46**	**0.33**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

(Rs. In Crore)

Statement showing changes in Present Value of obligations	As at 31st March, 2019	As at 31st March, 2018
Amounts to be recognised in the Balance Sheet		
Present Value of obligations as at the end of the year	(21.80)	(17.66)
Fair value of plan assets as at the end of the year	17.04	16.03
Funded Status	(4.76)	(1.63)
Net Asset/(Liability) recognised in balance sheet	**(4.76)**	**(1.63)**
Expenses Recognised in statement of Profit & Loss Account		
Current Service Cost	1.29	1.26
Interest Cost	0.12	0.19
Expected return on plan assets	-	-
Net Actuarial(gain)/Loss recognised in the year	-	-
Expenses recognised in statement of Profit & Loss	**1.41**	**1.45**
Expenses Recognised in Other Comprehensive Income		
Acturial (Gains)/Losses on obligation for the period	4.49	0.33
Return on Plan Assets, Excluding Interest Income	(0.04)	(0.12)
Expenses recognised in Other Comprehensive Income	**4.45**	**0.21**
Table showing administration of Plan Assets		
Administered by Life Insurance Corporation	17.04	16.03
Total	**17.04**	**16.03**

Actuarial Assumptions:	31st March, 2019	31st March, 2018
Discount Rate	7.47%	7.56%
Rate of return on assets	7.47%	7.56%
Salary escalation	8.00%	7.00%
Attrition rate (p.a)		
- For service 2 years & below	25.00%	25.00%
- For service 3 to 4 years	12.50%	12.50%
- For service 5 year & above	5.00%	5.00%
Mortality	Indian Assured Lives Mortality (2006-08)Ultimate	

(Rs. In Crore)

	As on 31st March				
Particulars	**2019**	**2018**	**2017**	**2016**	**2015**
Experience adjustments					
On plan liability (gain)/loss	3.46	0.33	1.85	(0.52)	(1.75)
On plan asset (gain)/loss	(0.04)	(0.12)	(0.02)	0.18	(0.04)

As per actuarial valuation report, Expected employer's contribution in next year is Rs. 3.38 crore (previous year Rs. 1.72 crore).

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

Effect on DBO on account of change in the assumed rates:

(Rs. In Crore)

DBO Rates Types	Discount Rate		Salary Escalation Rate		Withdrawal Rate	
Year	1% Increase	1% Decrease	1% Increase	1% Decrease	1% Increase	1% Decrease
31-Mar-19	(1.58)	1.82	1.79	(1.59)	(0.09)	0.09
31-Mar-18	(1.13)	1.29	1.28	(1.14)	0.03	(0.04)

The sensitivity results above determine their individual impact on Plan's end of year Defined Benefit Obligation. In reality, the plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time.

The expected maturity analysis of undiscounted defined benefit obligation is as follows:

(Rs. In Crore)

	31st March, 2019	31st March, 2018
Within 1 Year	2.75	2.06
Between 1-2 years	1.28	1.63
Between 2-3 years	1.39	1.71
Between 3-4 years	1.56	1.43
Between 4-5 years	1.99	1.34
Beyond 5 Years	37.26	26.48
Total	**46.23**	**34.65**

Risk exposure:

Through it defined benefit plan, the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset Volatility:

The plan liabilties are calculated using a discount rate set with reference to government bond yield. If plan assets underperform this yield, it will result in deficit. These are subject to interest rate risk. To offset the risk plan assets have been deployed in high grade insurer managed funds.

Inflation rate risk:

Higher than expected increase in salary will increase the defined benefit obligation.

Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligations is not straightforward and depends upon the combination of salary increase, discount rate and vesting criterion.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

Note 34: Financial Instruments

1. Fair value measurements

1.1 The carrying value and fair value of financial instruments by categories as of 31st March, 2019 is as follows:

(Rs. In Crore)

	Fair value through P&L	Fair value through OCI	Amortised cost	Total carrying value	Total fair value
Assets:					
Cash and cash equivalents	-	-	46.38	46.38	46.38
Other balances with banks	-	-	2.42	2.42	2.42
Trade receivables	-	-	210.88	210.88	210.88
Investments #	-	-	-		
Equity and Others	-	103.26	-	103.26	103.26
Mutual Funds (includes FMP)	1,073.00	-	-	1,073.00	1,073.00
Loans	-	-	3.82	3.82	3.82
Other financial assets	-	-	0.71	0.71	0.71
Total	**1,073.00**	**103.26**	**264.21**	**1,440.47**	**1,440.47**
Liabilities:					
Trade payables	-	-	208.27	208.27	208.27
Borrowings	-	-	0.38	0.38	0.38
Other financial liabilities	*	-	3.32	3.32	3.32
Total	**-**	**-**	**211.97**	**211.97**	**211.97**

* Denotes amount less than Rs. 50,000

The carrying value and fair value of financial instruments by categories as of 31st March, 2018 is as follows:

(Rs. In Crore)

	Fair value through P&L	Fair value through OCI	Amortised cost	Total carrying value	Total fair value
Assets:					
Cash and cash equivalents	-	-	76.87	76.87	76.87
Other balances with banks	-	-	26.74	26.74	26.74
Trade receivables	-	-	174.92	174.92	174.92
Investments #	-	-	-		
Equity and Others	-	123.09	-	123.09	123.09
Mutual Funds (includes FMP)	886.82	-	-	886.82	886.82
Loans	.	-	3.75	3.75	3.75
Other financial assets	*	-	3.00	3.00	3.00
Total	**886.82**	**123.09**	**285.28**	**1,295.19**	**1,295.19**
Liabilities:					
Trade payables	-	-	177.45	177.45	177.45
Borrowings	-	-	0.55	0.55	0.55
Other financial liabilities	-	-	3.03	3.03	3.03
Total	**-**	**-**	**181.03**	**181.03**	**181.03**

* Denotes amount less than Rs. 50,000

Other than investments in Associate and Joint Ventures accounted at cost in accordance Ind-AS 27

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

1.2. Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. This includes quoted equity instruments, government securities and mutual funds (includes FMP) that have quoted price.

Level 2 Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) such as derivative financial instruments. The Company does not have any Level 2 instruments as at 31st March, 2019 and 31st March, 2018.

Level 3 Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This includes unquoted equity shares.

(Rs. In Crore)

	Fair value hierarchy as at 31st March, 2019			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Mutual Funds (includes FMP)	1,073.00	-	-	1,073.00
Equity Shares	-	-	-	
Quoted	77.74	-	-	77.74
Unquoted	-	-	25.52	25.52
Total	**1,150.74**	**-**	**25.52**	**1,176.26**

(Rs. In Crore)

	Fair value hierarchy as at 31st March, 2018			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Mutual Funds (includes FMP)	886.82	-	-	886.82
Equity Shares	-	-	-	
Quoted	82.24	-	-	82.24
Unquoted	-	-	40.85	40.85
Total	**969.06**	**-**	**40.85**	**1,009.91**

Other than investments in associate and Joint Ventures accounted at cost in accordance Ind-AS 27

Valuation technique(s) and key input(s):

Level 1 The fair value of mutual funds (includes FMP) and quoted equity shares is based on quoted price.

Level 2 The Company does not have any Level 2 instrument as at 31st March, 2019 and 31st March, 2018.

Level 3 The fair value of unquoted equity shares is determined using market approach. This approach involves the application of multiples, derived from market prices of comparable listed companies, to the parameters of the subject company in order to derive a value for the subject company.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

1.3. Reconciliation of level 3 fair value measurements

(Rs. In Crore)

For the year ended 31st March, 2019	Unlisted shares irrevocably designated as at FVTOCI
Opening balance	123.09
Total loss in other comprehensive income	(19.83)
Held for sale/Disposals/Settlements	-
Closing balance	**103.26**

(Rs. In Crore)

For the year ended 31st March, 2018	**Unlisted shares irrevocably designated as at FVTOCI**
Opening balance	107.37
Total Gain in other comprehensive income	15.72
Held for sale/Disposals/Settlements	-
Closing balance	**123.09**

All gains and losses included in other comprehensive income relate to unlisted shares held at the end of the reporting period and are reported under "Equity Instruments through Other Comprehensive Income".

2. Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The capital structure is as follows:

(Rs. In Crore)

	31st March, 2019	31st March, 2018
Total Equity	2,737.08	2,428.96
Total Borrowings	0.55	0.83
Total capital (borrowings and equity)	**2,737.63**	**2,429.79**
Equity as a percentage of total capital	99.98%	99.97%
Borrowing as a percentage of total capital	0.02%	0.03%

(i) Debt is defined as long-term borrowings (including current maturities) and short-term borrowings (excluding contingent considerations, if any).

(ii) Equity is defined as Equity share capital and other equity including reserves and surplus.

The Company is predominantly equity financed which is evident from the capital structure table. Further, the Company has always been a net cash Company with cash and bank balances along with investment which is predominantly investment in liquid and short term mutual funds being far in excess of debt.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

3. Financial risk management

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity, which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

3.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

3.1.1 Foreign currency risk management

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar and Euro against the respective functional currency of the company. The Company enters into derivative financial instruments such as foreign exchange forward contract to mitigate the risk of changes in exchange rates on foreign currency exposures.

i. The carrying amounts of the Company's foreign currency denominated monetary liabilities/ assets at the end of the reporting period are as follows:

	31st March, 2019		31st March, 2018	
	Foreign Currency (in Crore)	(in Rs. Crore)	Foreign Currency (in Crore)	(Rs. in Crore)
(a) Foreign Currency Liabilities				
In USD	0.41	28.25	0.51	33.23
In EURO	*	0.21	*	0.15
(b) Foreign Currency Asset				
In USD	0.17#	11.69	0.15#	9.47

Balance with Banks in foreign currency

ii. Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward and option contracts to mitigate the risk of changes in exchange rate on foreign currency exposure. The counterparty for these contracts is generally a Bank or a Financial Institution. These derivative financial instrument are valued based on quoted prices for similar asset and liabilities in active markets or inputs that is directly or indirectly observable in the market place.

The following table gives details in respect of outstanding foreign exchange forward and option contracts:

Forward contracts		31st March, 2019			31st March, 2018		
		Foreign Currency (in Crore)	Nominal Value (Rs. in Crore)	Fair Value (Rs. in Crore)	Foreign Currency (in Crore)	Nominal Value (Rs. in Crore)	Fair Value (Rs. in Crore)
In USD	Buy	0.32	22.37	*	0.04	2.90	*

* Denotes amount less than Rs. 50,000

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

iii. Foreign currency sensitivity analysis

For the year ended 31st March, 2019 and 31st March, 2018, the impact of every rupee 1 depreciation / appreciation in the exchange rate between the Indian Rupee and U.S. Dollar.

	As of 31st March, 2019		As of 31st March, 2018	
	Rupee depreciate by INR 1 against USD	Rupee appreciate by INR 1 against USD	Rupee depreciate by INR 1 against USD	Rupee appreciate by INR 1 against USD
On Foreign Currency Liabilities (net) (Refer Note 2 below)	(0.24)	0.24	(0.36)	0.36

Notes:

1) +/- Gain/(Loss)

2) The impact of depreciation/ appreciation on foreign currency other than U.S.Dollar on profit before tax of the Company is not material.

3.1.2 Interest rate risk management

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Considering borrowing amount outstanding as at 31st March, 2019 and as at 31st March, 2018, Company is not exposed to significant interest rate risk.

3.2 Credit risk management

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, loans, cash and cash equivalents, other balances with banks and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units (including FMP), quoted bonds issued by government and quasi government organizations for specified time period.

The Company takes on exposure to credit risk,which is the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. Financial asset that potentially expose the Company to credit risks are listed below :

(Rs. In Crore)

	31st March, 2019	31st March, 2018
Trade Receivables	210.88	174.92
Loan	3.82	3.75
Total	**214.7**	**178.67**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

3.3 Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The maturity profile of the financial liabilities are listed below:

Expected contractual maturity for Financial Liabilities

(Rs. In Crore)

	Up to 1 year	1 to 3 years	3 to 5 years	Beyond 5 years	Total	Carrying Amount
31st March, 2019						
Borrowings	0.17	0.10	0.05	0.23	0.55	0.55
Trade Payables	208.27	-	-	-	208.27	208.27
Other Financial Liabilities	3.15	-	-	-	3.15	3.15
Total	**211.59**	**0.10**	**0.05**	**0.23**	**211.97**	**211.97**

(Rs. In Crore)

	Up to 1 year	1 to 3 years	3 to 5 years	Beyond 5 years	Total	Carrying Amount
31st March, 2018						
Borrowings	0.29	0.26	0.12	0.17	0.84	0.84
Trade Payables	177.45	-	-	-	177.45	177.45
Other Financial Liabilities	2.74	-	-	-	2.74	2.74
Total	**180.48**	**0.26**	**0.12**	**0.17**	**181.03**	**181.03**

The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments.

3.4 Financing Facilities

As at 31st March, 2019, the Company has available Rs. 200.00 crore (31st March, 2018: Rs. 200.00 crore) of undrawn committed borrowing facilities.

Note 35 : Related Party Disclosures

Names of Related Parties :

Where transactions have taken place during the year and previous year/ balance outstanding.

(a) Associate Company

Finolex Industries Limited

(b) Joint Venture Entities

Finolex J- Power Systems Private Limited

Corning Finolex Optical Fibre Private Limited

(c) Promoter Group Entities

Orbit Electrical Private Limited

Finolex Infrastructure Limited

Finolex Plassson Industries Private Limited

Magnum Machines Technologies Limited

Note : Excludes Finolex Industries Limited considered as an Associate company as above.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

(d) Enterprises controlled by KMP (Mr. P. G. Pawar)

Sakal Media Private Limited

SAAM Television Private Ltd.

Sakal Social Foundation

Sakal India Foundation

Sakal Relief Fund

(e) Employee Benefit Funds

Finolex Cables Limited Employee's Group Gratuity Scheme

Finolex Cables Limited Group Superannuation Scheme

(f) Key Management Personnel

Mr. D. K. Chhabria	Executive Chairman and promoter
Mr. Mahesh Viswanathan	Deputy Managing Director and Chief Financial Officer
Dr. H S Vachha (upto 14th February, 2019)	Independent Non-Executive Director
Mrs. Namita V Thapar (upto 25th September, 2018)	Woman Director
Mr. Sanjay K.Asher (upto 20th April, 2019)	Independent Non-Executive Director
Mr. P.G.Pawar	Independent Non-Executive Director
Mr. Pradeep R.Rathi	Independent Non-Executive Director
Mr. Shishir Lall	Independent Non-Executive Director
Mr. M. L. Jain (from 14th November, 2018)	Additional Director
Mrs. Shruti D Udeshi (from 14th February, 2019)	Independent Woman Director
Miss. Poornima K Prabhu (from 5th December 2018 to 31st March, 2019)	Additional Woman Director

(g) Relatives of Key Management Personnel: (Mr. D. K. Chhabria)

Mr. Kishandas P. Chhabria	Father
Mr. Vijay K. Chhabria	Brother
Mrs. Sunita K. Chhabria	Mother
Mrs. Vini D. Chhabria	Wife
Ms. Radhika D. Chhabria	Daughter

(A) Transaction with Related Parties

(Rs. In Crore)

Particulars	Financial Year	Associate Company	Joint Venture Entities	Promoter Group Entities	Enterprises controlled by KMP	Employee Benefit Funds	Key Management Personnel (Note 1)	Relatives of Key Management Personnel
Investment	2018-19	-	18.87	-	-	-	-	-
	2017-18	-	15.92	-	-	-	-	-
Dividend paid	2018-19	8.87	-	18.78	-	-	0.37	1.09
	2017-18	6.66	-	14.09	-	-	0.28	0.82
Dividend received (Note 2)	2018-19	-	-	0.25	-	-	-	-
	2017-18	-	-	0.20	-	-	-	-
Rent paid	2018-19	-	-	0.25	-	-	-	-
	2017-18	-	-	0.25	-	-	-	-

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

(Rs. In Crore)

Particulars	Financial Year	Associate Company	Joint Venture Entities	Promoter Group Entities	Enterprises controlled by KMP	Employee Benefit Funds	Key Management Personnel (Note 1)	Relatives of Key Management Personnel
Rent Received	2018-19	-	0.22	0.06	-	-	-	-
	2017-18	-	0.20	0.06	-	-	-	-
Advertising & Sales Promotion	2018-19	-	-	-	1.36	-	-	-
	2017-18	-	-	-	1.58	-	-	-
Other services provided	2018-19	-	0.06	-	-	-	-	-
	2017-18	-	0.18	-	-	-	-	-
Purchase of Raw Material	2018-19	-	12.15	-	-	-	-	-
	2017-18	-	-	-	-	-	-	-
Purchases of Property Plant Equipment	2018-19	-	-	-	-	-	-	-
	2017-18	-	-	0.01	-	-	-	-
Contribution to fund	2018-19	-	-	-	-	3.49	-	-
	2017-18	-	-	-	-	4.49	-	-
Benefits paid to employee from Trust	2018-19	-	-	-	-	1.94	-	-
	2017-18	-	-	-	-	1.85	-	-
Financial support	2018-19	-	Refer Note 32(b)(ii)		-	-	-	-
	2017-18	-	Refer Note 32(b)(ii)		-	-	-	-
Corporate Social Responsibility	2018-19	-	-	-	1.50	-	-	-
	2017-18	-	-	-	1.00	-	-	-
Managerial remuneration	2018-19	-	-	-	-	-	12.27	-
	2017-18	-	-	-	-	-	15.84	-
Amounts owed by related parties (Receivable)	2018-19	-	0.05	0.25	-	-	-	-
	2017-18	-	0.19	0.25	-	-	-	-
Amounts owed to related parties (payable)	2018-19	-	-	-	-	4.76	7.82	-
	2017-18	-	-	-	-	1.63	12.20	-

Notes:

1. Key managerial Personnel are entitled to post- employment benefits recognised as per IND-AS 19-'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.
2. Dividend received from Associate Rs. 40.19 crore (previous year Rs. 46.22 crore) has been eliminated in consolidated financial statements.
3. All transactions with the related parties have been done at arms length.

Note 36 : Segment Reporting

Operating segments are reported consistently with the internal reporting provided to the Executive Chairman, the highest decision-making executive who is responsible for allocating resources to and assessing the performance of the operating segments.

A- The business segment has been considered as a primary segment for disclosure. The categories included in each of the reported business segment are as follows.

1. Electrical Cables
2. Communication Cables
3. Copper Rods
4. Others - Trading of Electrical and other goods

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

The above business segments have been identified considering

1. The nature of the product/services
2. The Related risks and returns
3. The Internal financial reporting systems

Revenues and expenses have been accounted for based on their relationship to the operating activities of the segment. Revenues and expenses which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis have been included under "Unallocable Expenses". Assets and Liabilities which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis have been included under "Unallocable Assets / Liabilities".

(Rs. In Crore)

Particulars	31st March, 2019	31st March, 2018
Segment Revenue		
A. Electrical cables	2,494.42	2,306.16
B. Communication cables	488.84	476.93
C. Copper rods	939.98	904.32
D. Others	71.01	59.91
Total segment revenue	**3,994.25**	**3,747.32**
Less : Inter segment revenue	(911.67)	(844.48)
Net segment revenue	**3,082.58**	**2,902.84**
Segment Results		
A. Electrical cables	381.43	376.13
B. Communication cables	66.01	46.72
C. Copper rods	9.68	9.65
D. Others	(12.01)	(10.01)
Total segment results	**445.11**	**422.49**
(Less) : Finance costs	(0.92)	(1.44)
Add /(Less) : unallocable income/(Loss) net of unallocable expenditure	65.65	55.69
Add /(Less) : Share of Profit of Associate & JV Accounted for using the equity method	100.38	72.40
Profit before tax	**610.22**	**549.14**
Income Taxes	**202.75**	**219.03**
Profit for the year	**407.47**	**330.11**

Other Information

(Rs. In Crore)

Particulars	31st March, 2019	31st March, 2018
Segment Assets		
A. Electrical cables	872.59	782.21
B. Communication cables	336.72	292.30
C. Copper rods	75.54	38.64
D. Others	31.33	29.26
Unallocable Assets	1,837.96	1,641.45
Total Assets	**3,154.14**	**2,783.86**
Segment Liabilities		
A. Electrical cables	155.90	199.47
B. Communication cables	75.99	24.76
C. Copper rods	6.81	5.82
D. Others	8.00	6.39
Unallocable Liabilities	170.36	118.46
Total Liabilities	**417.06**	**354.90**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

For the year ended 31st March, 2019 (Rs. In Crore)

Particulars	Capital Expenditure	Depreciation	Non cash Expenditure other than Depreciation to the extend allocable to the segment *
A. Electrical cables	22.71	30.14	3.85
B. Communication cables	16.41	6.49	4.68
C. Copper rods	0.10	1.16	-
D. Others	5.10	2.76	-
Total	**44.32**	**40.55**	**8.53**

* Exclude reversal of Provision other-Duties/Taxes of Rs. 22.16 (Previous year Rs. 5.48)

For the year ended 31st March, 2018 (Rs. In Crore)

Particulars	Capital Expenditure	Depreciation	Non cash Expenditure other than Depreciation to the extend allocable to the segment
A. Electrical cables	29.44	37.27	-
B. Communication cables	3.80	4.82	1.97
C. Copper rods	0.02	0.69	-
D. Others	3.68	1.02	-
Total	**36.94**	**43.80**	**1.97**

Reconciliation of Revenue

(Rs. In Crore)

Particulars	31st March, 2019	31st March, 2018
Revenue from operation	3,077.79	2,884.23
Add: Miscellaneous Income (Included in Other Income)	4.79	18.61
Total Segment revenue as reported above	**3,082.58**	**2,902.84**

B- Secondary Segment information

The company's operations are mainly confined within India and as such there are no reportable geographical segments.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2019

Note 37 : Earnings Per Share (EPS)

(Rs. In Crore)

Basic earning per share	Year ended 31st March, 2019	Year ended 31st March, 2018
Net Profit for the year attributable to the equity holders	**407.47**	**330.11**
Weighted average number of Equity shares for basic EPS	152,939,345	152,939,345
Par value per share (in Rs.)	2.00	2.00
Basic Earnings per share (in Rs.)	**26.64**	21.58
Diluted Earnings per share (in Rs.)	**26.64**	21.58

Note: The Company does not have any dilutive potential equity shares in any of the period's , therefore weighted average number of equity shares outstanding at the year end for basic EPS and diluted EPS is same.

Note 38 : Statement of Net Assets and Profit and Loss attributable to Owners

(Rs. In Crore)

Name of the Entity	Net Asset i.e. (Total asset minus total Liabilities)		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated Net Asset	Rs. Amt (in crore)	As % of consolidated profit	Rs. Amt (in crore)	As % of consolidated Other comprehensive income	Rs. Amt (in crore)	As % of consolidated Total comprehensive income	Rs. Amt (in crore)
Finolex Cables Ltd	73.0%	2,439.67	76.0%	344.09	14.8%	(24.57)	111.4%	319.52
Associates								
Finolex Industries Ltd.	25.0%	834.43	26.3%	118.95	85.2%	(141.33)	(7.8%)	(22.38)
Joint Ventures								
Finolex J Power Systems Pvt Ltd.	1.6%	52.01	(3.9%)	(17.51)	0.0%	(0.03)	(6.1%)	(17.54)
Corning Finolex Optic Fibre Pvt Ltd.	0.4%	14.20	1.6%	7.12	0.0%	-	2.5%	7.12
Total	**100%**	**3,340.31**	**100%**	**452.65**	**100%**	**(165.93)**	**100%**	**286.72**
Adjustments arising from consolidation		(603.23)		(45.18)		140.33		95.15
Consolidated Net Assets/ Profit after tax		**2,737.08**		**407.47**		**(25.60)**		**381.87**

* includes fair value gain in respect of investments held in the Company by the Associate

Note 39: Significant Events after the reporting period :

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed.

D. K. Chhabria
Executive Chairman

P. G. Pawar
Director

M. Viswanathan
Dy. Managing Director &
Chief Financial Officer

R.G. D'Silva
Company Secretary &
President (Legal)

Pune : 29th May, 2019

Notice

NOTICE is hereby given that the Fifty-First Annual General Meeting of Members of Finolex Cables Limited will be held on Wednesday, 18th September, 2019 at 11.30 a.m. at the Auditorium of Auto Cluster Development and Research Institute, H Block, Plot C-181, Near D'Mart, Chinchwad, Pune - 411019, to transact the following business:

Ordinary Business

1. To receive, consider and adopt the audited financial statement (including the audited consolidated financial statements) of the Company for the financial year ended 31st March, 2019 and the reports of the Board of Directors' and Auditors' thereon.

2. To declare a dividend on equity shares for the financial year ended 31st March, 2019.

3. To appoint a Director in place of Mr Mahesh Viswanathan [DIN: 02780987], who retires by rotation, and being eligible, offers himself for reappointment.

Special Business

4. To consider, and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 149(1), 152, 160(1) and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the provisions of Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (the "Rules") and the provisions of the Articles of Association of the Company, and pursuant to the recommendation of the Nomination and Remuneration Committee and the approval of the Board of Directors of the Company (the "Board") in this regard, Mr Mohan Lal Jain [DIN: 00148677], who was appointed as an Additional Director by the Board with effect from 14th November, 2018 and who holds office upto the date of this Annual General Meeting and, who is eligible for appointment and in respect of whom the Company has received a notice in writing pursuant to the provisions of Section 160(1) of the Act from a member of the Company proposing his candidature as Director of the Company and who has consented, if appointed, to act as Director, be and is hereby appointed a Director of the Company liable to retire by rotation."

5. To consider, and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 149(1), 152, 160(1) and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the provisions of Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (the "Rules") and the provisions of the Articles of Association of the Company, and pursuant to the recommendation of the Nomination and Remuneration Committee and the approval of the Board of Directors of the Company (the "Board") in this regard, Mrs Shruti Deepen Udeshi [DIN: 06900182], who was appointed as an Additional Director and an Independent Woman Director by the Board for a period of five years with effect from 14th February, 2019 and who being an additional Director holds office upto the date of this Annual General Meeting and, who is eligible for appointment and in respect of whom the Company has received a notice in writing pursuant to the provisions of Section 160(1) of the Act from a member of the Company proposing her candidature as Director of the Company and who has consented, if appointed, to act as Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a term of five consecutive years with effect from 14th February, 2019.

   "RESOLVED FURTHER THAT all the actions taken by the Board with regard to appointment of Mrs Shruti Deepen Udeshi as an Independent Director of the Company with effect from 14th February, 2019 be and are hereby ratified and the Board is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, relevant, usual, customary, proper and/or expedient for giving effect to this resolution and for matters connected therewith or incidental thereto."

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 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the applicable provisions of Securities and Exchange Board of India (Listing Obligation and Disclosures Requirements) Regulations, 2015, as amended, and pursuant to the recommendation by the Nomination and Remuneration

Committee and the approval of the Board of Directors of the Company (the "Board") in this regard, Mr Pratap G Pawar [DIN: 00018995], who was appointed by the Members in Annual General Meeting of the Company as an Independent Director for a term of five consecutive years with effect from 9th September, 2014 and whose said term of five years ends on 8th September, 2019 and who is otherwise eligible for reappointment as an Independent Director, and who has, subject to the approval of the Members, been appointed by the Board as an Independent Director for a second term of five consecutive years with effect from 9th September 2019, be and is hereby reappointed as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years with effect from 9th September, 2019."

RESOLVED FURTHER THAT all the actions taken by the Board with regard to reappointment of Mr Pratap G Pawar as an Independent Director for a second term of five consecutive years with effect from 9th September 2019 be and is hereby ratified and the Board be and is hereby authorised to do or to authorise any person to do all such acts, deeds, matters and things as may be considered necessary, relevant, usual, customary, proper and/or expedient for giving effect to this resolution and for matters connected therewith or incidental thereto."

7. To ratify the remuneration payable to the Cost auditors for the financial year ending 31st March, 2020 (Financial Year 2019-20) and to consider, and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of: Section 148 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act"), the provisions of the Companies (Audit and Auditors) Rules, 2014, as amended, and pursuant to the recommendation of the Audit Committee and the approval of the Board of Directors of the Company (the "Board") and subject to the applicable guidelines and approval of the Central Government as may be applicable in this regard, the Members of the Company hereby ratify the appointment of M/s Joshi Apte & Associates, Cost Accountants, Pune (Firm Registration No. 00240) at a consolidated remuneration of Rs.5.50 Lakhs (Rupees Five Lakhs Fifty Thousand Only) plus taxes and out of pocket expenses, if any, chargeable extra on actual basis, to conduct cost audit of the cost records of the Company for the financial year ending 31st March, 2020 (Financial Year 2019-20).

RESOLVED FURTHER THAT the Board be and is hereby authorised to do or to authorise any person to do all such acts, deeds, matters and things as may be considered necessary, relevant, usual, customary, proper and/or expedient for giving effect to this resolution and for matters connected therewith or incidental thereto."

8. To consider, and, if thought fit, to pass, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of: Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the provisions of Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 including any modification(s) or reenactment(s) thereto for the time being in force and subject to the provisions of SEBI (Issue and Listing of Debt Securities) Regulations 2008 and of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, as amended, and the Rules, Regulations, Guidelines, circulars and clarifications, as issued and amended from time to time by SEBI and/or other appropriate Authority(ies) and the provisions of the Articles of Association of the Company, approval of the Members of the Company (the "Members") be and is hereby accorded to the Board of Directors of the Company (the "Board") to offer or invite subscriptions for secured/unsecured redeemable non-convertible debentures ("NCDs") on a private placement basis, in one or more series/tranches, aggregating up to an amount of Rs.150 Crores (Rupees One Hundred Fifty Crores only), during a period of one year from the date of passing of this resolution and within the overall borrowing limits of the Company, as approved by the Members from time to time, from such persons and on such terms and conditions as the Board may, from time to time, determine and consider proper and beneficial to the Company including as to when the said Debentures are to be issued, the consideration for the issue, the coupon rate(s) applicable, redemption period, utilisation of the issue proceeds and all matters connected with or incidental thereto;

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and give such directions and to execute or authorise any person to execute all such documents, instruments and writings as may be considered necessary, relevant, usual, customary, proper and/or expedient to give effect to this resolution."

9. To approve related party transaction(s) with Corning Finolex Optical Fibre Private Limited and to consider, and, if thought fit, to pass, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and the provisions of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and subject to such other approvals, consents, sanctions and permissions of any authorities as may be necessary, consent of the Company be and is hereby accorded to the Audit Committee and the Board of Directors of the Company (hereinafter referred to as the "Board"), to authorise the Management of the Company to carry out transaction(s) in the Company's ordinary course of business for the purchase of optical fibre from Corning Finolex Optical Fibre Private Limited from time to time at a price to be agreed between the Company and Corning Finolex Optical Fibre Private Limited and on the existing terms and conditions set out in the Agreement dated 16th June, 2011 entered into between the Company and Corning Finolex Optical Fibre Private Limited and mentioned in the explanatory statement annexed hereto.

RESOLVED FURTHER THAT the Board, Audit Committee and the Management of the Company be and is hereby authorised as may be appropriate or relevant to implement and to give effect to this resolution, to take all steps whatsoever and to do all such acts, deeds, matters and things as each of them may consider necessary, relevant, usual, customary, proper and/or expedient for giving effect to this resolution including finalizing the ancillary and incidental terms in relation to each transaction and to sign deeds, applications, documents and writings in relation thereto."

By Order of the Board of Directors

R.G. D'Silva
Company Secretary &
President (Legal)

Place : Pune
Dated : 14th August, 2019

Registered Office:
26/27, Mumbai-Pune Road,
Pimpri, Pune - 411018.
CIN: L31300MH1967PLC016531
Email: Investors@finolex.com

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 AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

   A PERSON CAN ACT AS A PROXY ON BEHALF OF NOT MORE THAN FIFTY MEMBERS AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER OF THE COMPANY.

2. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 (the "Act") setting out the material facts for each item of the special business mentioned under item Nos. 4 to 9 of the Notice is annexed hereto.

3. The Register of Members and the Share Transfer Books of the Company will be closed from Saturday, 7th September, 2019 to Wednesday, 18th September, 2019 (both days inclusive) for the purpose of Annual General Meeting (AGM) and payment of Dividend for the financial year ended 31st March, 2019.

4. The Board of Directors in their meeting held on 29th May, 2019 has recommended the payment of dividend on equity shares at 225 % (i.e. @ Rs.4.50 per equity share of Rs.2/- each fully paid up) for the financial year ended 31st March, 2019. The payment of dividend is to be approved by the Members at the AGM. The aforesaid dividend, if declared at the AGM, will be paid on or before 17th October, 2019 to those Members whose names appear in the Register of Members of the Company, as on the date of the AGM. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership as per details to be received from the Depositories, i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), the same being as of close of their respective business hours on the date immediately preceding the aforesaid Book Closure period (i.e. as of Friday, 6th September, 2019).

5. The Members are requested to:

   a) intimate to the Company / M/s Karvy Fintech Pvt Ltd, Hyderabad, Registrar and Share Transfer Agent (for shares held in physical form) and to their Depository Participant (DP) (for shares held in Dematerialised

form) the changes, if any, in their registered address, ECS/LECS/NECS/Bank account number/details, etc. at an early date to avoid inconvenience;

b) quote Ledger Folio Numbers/DP Identity and Client Identity Numbers in all their correspondence;

c) approach the Company / M/s Karvy Fintech Pvt Ltd for consolidation of folios, if shareholdings are under multiple folios;

d) direct all correspondence to the Company's Registered Office at 26/27, Mumbai-Pune Road, Pimpri, Pune 411018 for the attention of the Secretarial Department;

e) make nomination in respect of their shareholding in the Company, if they are held in single name to avoid inconvenience;

f) **bring their copies of the Annual Report and the Attendance Slip duly filled in for attending the Annual General Meeting; and**

g) intimate the Company/M/s Karvy Fintech Pvt Ltd or their Depository Participant (DP) the Permanent Account Number (PAN) allotted by the Income Tax Authorities for incorporation in the records/TDS Certificates, as maybe applicable;

6. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions to the Company Secretary, so as to reach the Company at least seven clear working days before the date of the Meeting, to enable the information required to be made available at the Meeting, to the extent possible.

7. In terms of Section 136 of the Companies Act, 2013 read together with the Rules made thereunder, the listed companies may send the notice of annual general meeting and the annual report, including Financial Statements, Board Report, etc, by electronic mode. The Company is accordingly forwarding soft copies of the above referred documents to all those members, who have registered their email IDs with their respective depository participants or with the share transfer agent of the Company.

Further, to receive shareholders' communications through electronic means, including annual reports and notices, members are requested to kindly register/update their email address with their respective depository participant, where shares are held in electronic form. If, however, shares are held in physical form, members are advised to register their email address with Karvy Fintech Pvt Ltd, Email ID: einward.ris@karvy.com.

Further for convenience of stakeholders the Notice of Annual General Meeting and the copies of audited financial statements, directors' report, auditors' report, etc. will also be displayed on the website www.finolex.com of the Company.

8. The Securities and Exchange Board of India ("SEBI") has vide its circulars Ref. No.MRD/DoP/Cir-05/2009 dated 20th May 2009 and Ref. No. SEBI/MRD/DoP/SE/RTA/Cir-03/2010 dated 7th January, 2010 specified that for securities market transactions and off-market/private transactions involving transfer/transmission of shares, deletion of name of deceased shareholder(s) and transposition of names in respect of shares held in physical form of listed companies, it shall be mandatory for the transferee(s)/shareholder(s) to furnish self certified copy of PAN card to the Company/Registered Transfer Agents (RTAs) for registration of such transfer/transmission of shares or other requests, as aforesaid. All shareholder(s) desirous of lodging physical shares for any of the aforesaid should, therefore, invariably furnish self certified copy of their PAN card at the time of lodging requests for such matters together with all requisite documents to the Company/RTA for necessary action, to avoid inconvenience.

Further, the BSE Limited vide its Circular No.LIST/COMP/15/2018 dated 5th July, 2018 had informed to Listed companies about amendment to Regulation 40 of SEBI (LODR) regulations, 2015 vide Gazette notification dated 8th June, 2018 has mandated that transfer of securities would be carried out w.e.f. 1st April, 2019 in dematerialized form only. Shareholders holding shares in physical form are requested to arrange for dematerialization of their shares at earliest to avoid any inconvenience in future for transferring those shares.

9. Pursuant to Section 205A of the earlier Companies Act, 1956, all unclaimed/unpaid dividends upto the financial year ending 31st March, 1995 have been transferred to the General Revenue Account of the Central Government. Shareholders who have not encashed the dividend warrant for the said period are requested to claim the amount from the Registrar of Companies, Maharashtra, PMT Commercial Building, Deccan Gymkhana, Pune - 411004. Also, pursuant to Section 205A of the earlier Companies Act, 1956, the amount of dividends for the financial years ended 31st March, 1996 to 31st March 2011, each of which were remaining unpaid or unclaimed

for a period of seven years have, from time to time, been transferred by the Company to the Investor Education and Protection Fund of the Central Government (the "Fund") upon expiry of the period prescribed in this regard.

Further, pursuant to the provisions of Section 124 of the Companies Act, 2013 and applicable Rules made thereunder (the "Act"), the dividends remaining unpaid or unclaimed for the financial year ending 31st March, 2012 and thereafter shall similarly on expiry of the prescribed period of seven years also be transferred to the Fund. **Further all shares (whether in dematerialized mode or held physically) in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company in the name of Investor Education and Protection Fund along with a statement containing such details as may be prescribed under the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016**

The Company had individually informed the aforesaid to concerned Shareholders, at their last recorded addresses, and those Shareholders who have still not encashed the Dividend Warrants for the financial year ending 31st March, 2012 (which is to be transferred to the Fund within one month from 17th October, 2019) or for any of the financial years subsequent thereto are therefore, requested to immediately forward the same to the Company for revalidation. **It may also please be noted that once the unclaimed dividend and relevant shares, is/are transferred to the Investor Education and Protection Fund, as above, no claim shall lie against the Company in respect of the relevant shares and/or the individual amounts which were unclaimed and unpaid for a period of seven years from the date that they first became due for payment and no payment shall be made by the Company in respect of any such claims.**

10. In order to provide protection against fraudulent encashment of dividend warrants, Members are requested to furnish their Bank account number, 9 digit MICR number/IFSC code with the name of the Bank/ Branch, its address and quoting their folio number, etc so that the Bank account details are available for payment of dividend by ECS/LECS/NECS/can be printed on the dividend warrants. Similarly, Members holding shares in dematerialised form may please immediately inform changes, if any, in their Bank account details (with 9 Digit MICR No. /IFSC code) to their Depository Participant (DP) to enable the correct Bank account details to be made available to the Company by the DP for ECS/LECS/ NECS/printing on the dividend warrants. **In any case, Members will appreciate that the Company will not be responsible for any loss arising out of fraudulently encashed dividend warrants.**

11. Voting through electronic means (i.e. remote e-voting):

1. In terms of the provisions of section 108 of the Companies Act, 2013 (the Act), read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing facility of remote e-voting facility to exercise votes on the items of business given in the Notice through electronic voting system, to members holding shares as on 11th September, 2019 (End of Day), being the Cut-off date for the purpose of Rule 20(4)(vii) of the Rules fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by National Securities Depository Limited (NSDL) or to vote at the annual general meeting. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

The instructions for remote e-voting are as under:

A. The procedure to login to e-Voting website consists of two steps as detailed hereunder:

Step 1 : Log-in to NSDL e-Voting system

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details will be as per details given below :
   a) **For Members who hold shares in demat account with NSDL:** 8 Character

DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******).

b) **For Members who hold shares in demat account with CDSL:** 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12********** then your user ID is 12**********).

c) **For Members holding shares in Physical Form:** EVEN Number followed by Folio Number registered with the company (For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***).

5. Your password details are given below:

   a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.

   c. How to retrieve your 'initial password'?

      i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      ii. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a. Click on **"Forgot User Details/ Password?"**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b. **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/ folio number, your PAN, your name and your registered address.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2 : Cast your vote electronically on NSDL e-Voting system.

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

3. Select "EVEN" of the Company.

4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

6. Upon confirmation, the message "Vote cast successfully" will be displayed.

7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

B. General Guidelines for Shareholders:

i. Corporate/Institutional Members (i.e., other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board resolution/authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the scrutiniser through e-mail: kanchan@msjcs.com. They may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'Corporate Name_EVENT No.'

ii. Remote e-voting facility where members can cast their vote online shall be open from **Sunday, 15th September, 2019 (9.00 a.m.) till Tuesday, 17th September, 2019 (5.00 p.m.)** and at the end of remote e-voting period, the facility shall forthwith be blocked.

iii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and e-Voting User Manual available at the 'download' section of https://evoting.nsdl.com or call NSDL on 1800222990 or send a request at evoting@nsdl.co.in

C. For members who receive the notice of annual general meeting in physical form:

i. Members holding shares either in demat or physical mode, who are in receipt of notice in physical form, may cast their votes using the e-voting facility, for which the User ID and Initial password is provided on the attendance slip. Please follow steps from Sr. No. (i) to (xii) under heading A above to vote through e-voting platform.

D. Voting facility at Annual General Meeting:

i. In addition to the remote e-voting facility as described above, the Company shall make a voting facility available at the venue of the annual general meeting and members attending the meeting, who have not already cast their votes by remote e-voting, shall be able to exercise their right at the meeting.

ii. Members who have cast their votes by remote e-voting prior to the meeting may attend the meeting, but shall not be entitled to cast their vote again.

E. General Instructions:

i. The Board of Directors has appointed Ms Kanchan Limaye, Practicing Company Secretary (CP No. 17326) or failing her Mr Mandar Jog, Practicing Company Secretary (CP No. 9798) of M/s. Jog Limaye & Associates, Practicing Company Secretaries as the Scrutiniser to the e-voting process, and voting at the venue of the annual general meeting in a fair and transparent manner.

ii. The Scrutiniser shall, immediately after the conclusion of voting at the annual general meeting, first count the votes cast at the meeting, thereafter unlock the votes through e-voting in the presence of at least two witnesses, not in the employment of the Company and make, not later than 48 hours from the conclusion of the meeting, a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Executive Chairman of the Company or a person authorised by him in writing, who shall countersign the same.

iii. The Scrutiniser shall submit her report to the Chairman, who shall declare the result of the voting. The results declared along with the Scrutiniser's Report shall be placed on the Company's website www.finolex.com and on the website of Karvy https://evoting.karvy.com and shall also be communicated to the stock exchanges. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed at the annual general meeting of the Company, scheduled to be held on **Wednesday, 18th September, 2019**.

iv. The Company shall cause a requisite public notice by way of an advertisement to be published on or before 24th August, 2019 in Marathi language newspaper 'Loksatta', Pune edition and in English language newspaper 'The Financial Express', Pune edition.

12. All documents referred to in the accompanying Notice are open for inspection by Members at the Registered Office of the Company between 9.00 a.m. to 11.00 a.m. on any working day of the Company till 18th September, 2019.

13. **Reappointment of Directors:**

(A) At the ensuing Annual General Meeting, Mr Mahesh Viswanathan [DIN: 02780987] retires by rotation and, being eligible, offers himself for reappointment. The information or details to be provided pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2016 is set out hereinafter.

(a) Brief Resume of the Director

Mr. Mahesh Viswanathan is aged 59 years and joined the services of the Company as Chief Financial Officer on 15th October, 2008. Mr Mahesh Viswanathan is a Chartered Accountant having a number of years' experience in Industry including Administration, Management, Finance and Taxation matters. He has worked in number of leading companies in India and also has international experience in multinational companies. Mr Mahesh Viswanathan is also a Director (nominee director of the Company) on the Boards of Corning Finolex Optical Fibre Private Limited and Finolex J-Power Systems Private Limited also Chairman of its Audit Committee and Member of its Share Allotment & Transfer Committee and Member of its Nomination & Remuneration Committee.

(b) Nature of his expertise in specific functional areas

Mr Mahesh Viswanathan is having a number of years' experience in Industry including Administration, Management, Finance and Taxation matters. He has worked in number of leading companies in India and also has international experience in multinational companies.

(c) Disclosure of relationships between Directors inter se

None of the Directors or Key Managerial Personnel or their relatives are related to Mr Mahesh Viswanathan.

(d) Names of listed entities in which the person also holds the Directorship and the Membership of Committees of the Board.

Mr Mahesh Viswanathan does not hold any directorship in any listed entities except for the Company and also does not hold any membership of Committees of the Board in any other listed entity.

(e) Shareholding in the Company

Mr Mahesh Viswanathan does not hold beneficial interest in any shares in the Company.

The Board recommends his reappointment for continuing as a whole time Director on the Board of Directors of the Company designated as "Deputy Managing Director & Chief Financial Officer" at the existing terms, for the remaining period of his term of office upto 30th June, 2023 as appointed by the Members at Annual General Meeting held on 25th September, 2018 under the provisions of the Act and of the Memorandum of Association and Articles of Association of the Company.

Other than Mr Mahesh Viswanathan, none of the Directors or Key Managerial Personnel of the Company and/or their relative/s is/are, in any way, concerned or interested, financially or otherwise in the resolution to be passed with regard to Item No.3 of the Notice.

EXPLANATORY STATEMENT IN RESPECT OF ITEM NOS. 4 TO 9 OF SPECIAL BUSINESS OF THE NOTICE PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.4

Mr Mohan Lal Jain [DIN: 00148677] was appointed with immediate effect as an Additional Director by the Board of Directors of the Company (the "Board") at its meeting held on 14th November, 2018. His appointment is in accordance with the provisions of Sections 149(1), 160(1) and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the provisions of Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (the "Rules") and the provisions of the Articles of Association of the Company. Mr Mohan Lal Jain holds office of Director upto the date of this Annual General Meeting. His appointment has been recommended by the Nomination and Remuneration Committee, which has been approved by the Board. The Company has received a notice from a member in pursuance of Section 160(1) of the Act signifying his intention to propose the appointment of Mr Mohan Lal Jain as Director of the Company.

Mr Mohan Lal Jain is aged 71 years and is a qualified Chartered Accountant and MBA Finance (Sterling University) UK and has over 38 years of experience in managing operations, finance, marketing and export functions of well-known and established companies. He is specialized in international business, procedures relating to export-import and third country trade and is also having in depth knowledge in obtaining finance from international and domestic sources. He was earlier a

Director in various companies including listed company and NBFC. He is also Director on the Board of VMA Software Solutions (India) Private Limited. Mr Mohan Lal Jain was earlier the Assistant Managing Director and Chief Operating Officer of the Company for a number of years and therefore, he is well conversant with the operations of the various manufacturing units of the Company as well as its personnel. Mr M L Jain holds 2000 (0.001%) equity shares in the Company.

Other than Mr Mohan Lal Jain none of the Directors or Key Managerial Personnel of the Company and/or their relatives is/are in anyway concerned or interested financially or otherwise in the resolution to be passed with regard to Item No. 4 of the Notice.

The Board recommends his appointment as a Director on the Board of Directors of the Company and liable to retire by rotation.

Item No.5

Pursuant to the recommendation of the Nomination and Remuneration Committee in this regard, Mrs Shruti Deepen Udeshi [DIN: 06900182] was appointed with immediate effect as an Additional Director and an Independent Woman Director by the Board of Directors of the Company (the "Board") at its meeting held on 14th February, 2019 in order that the Company may meet the criteria of having an Independent Woman Director on its Board as was specified in the amended SEBI (LODR) Regulations, 2015 with effect from 1st April, 2019. Her appointment is in accordance with the provisions of Sections 149(1), 160(1) and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the provisions of Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (the "Rules") and the provisions of the Articles of Association of the Company. Subject to the approval of the Members in general meeting, Mrs Shruti Deepen Udeshi holds office of Independent Director for a term of five consecutive years with effect from 14th February, 2019 and being an Additional Director she holds office of Director upto the date of this Annual General Meeting. The Company has received a notice from a member in pursuance of Section 160(1) of the Act signifying his intention to propose the appointment of Mrs Shruti Deepen Udeshi as Director of the Company.

Mrs Shruti Deepen Udeshi is aged 35 years and is Bachelor of Management Studies – Finance (BMS – Finance) from Mumbai University and has over more than 10 years of experience in managing Investor Relations and support in the business development team in analyzing proposals, preparing business plans/financial models for new projects including working with various broking houses as Institutional Equity Research Analyst, fundamental analysis, fund management, buy-side analysts. She also has exposure in Analyst and IPO meets. Mrs Shruti Deepen Udeshi does not hold any shares in the Company.

Other than Mrs Shruti Deepen Udeshi none of the Directors or Key Managerial Personnel of the Company and/or their relatives is/are in any way concerned or interested financially or otherwise in the resolution to be passed with regard to Item No 5 of the Notice.

The Board recommends her appointment as an Independent Woman Director on the Board of Directors of the Company for a term of five consecutive years with effect from 14th February, 2019 and not liable to retire by rotation.

Item No.6

Mr Pratap G. Pawar is aged 74 years and is an Independent Director of the Company and holds the said position for the first term of 5 (five) years with effect from 9th September, 2014 upto 8th September, 2019. Pursuant to the recommendation of the Nomination and Remuneration Committee , in this regard Mr Pratap G Pawar (DIN:00018995) was reappointed by the Board at its Meeting held on 14th August 2019, as an Additional Director and an Independent Director for a second term of five consecutive years with effect from 9th September 2019.

The provisions of Section 149 of the Companies Act, 2013 (the "Act") read with Schedule IV of the Act and the provisions of the Companies (Appointment and Qualification of Directors) Rules 2014 requires every listed company to have at least one-third of the total number of Directors as Independent Directors with any fraction contained in such one-third number required to be rounded off as one. Further the Securities and Exchange Board of India (SEBI) has amended SEBI (LODR) Regulations, 2015 (the "Listing Regulations") inter alia stipulating the conditions for the appointment of Independent Directors by a listed company. Regulation 17 (1A) thereof provides no listed entity shall appoint a person or continue the directorship of any person as a non executive director, who has attained the age of seventy five years unless a special resolution is passed to that effect. the Company has received a notice from a member in pursuance of Section 160(1) of the Act signifying his intention to propose the appointment of Mr Pratap G Pawar as Director of the Company. Accordingly special resolution at Item No 6 is proposed, as aforesaid, for approval of the members of the Company.

Pursuant to the recommendation in this behalf of the Nomination and Remuneration Committee in their meeting held on 29th May, 2019 and the approval of the Board, it was proposed to appoint Mr Pratap G Pawar as an Independent Director under Section 149 of the Act and under the provisions

of SEBI (LODR) Regulations 2015, as amended to hold such office for a second term of 5 (five) consecutive years with effect from 9th September, 2019. Mr Pratap G Pawar upon his reappointment as an Independent Director, shall not be liable to retire by rotation.

Mr Pratap G Pawar is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 (the "Act") and has given his consent to act as Director. The Company has also received declaration from Mr Pratap G Pawar that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act read with the relevant provisions of the Listing Regulations.

In the opinion of the Board, Mr Pratap G Pawar fulfills the conditions for appointment as Independent Director as specified in the Act and the Listing regulations. Mr Pratap G Pawar is independent of the management of the Company.

Brief resume of Mr Pratap G Pawar, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under the Listing Regulations, are provided hereinafter:

Mr. P G Pawar is a B.E. (BITS, Pilani) and a Director of the Company since 9th September 1998. Mr. P G Pawar has a number of years extensive experience in Industry, Exports Management, Technocommercial projects Administration and Marketing. Experience in managing government relations, political scenario and industry advocacy strategies. Mr P G Pawar is the former President of the Mahratta Chamber of Commerce, Industries & Agriculture, Pune. He is the Chairman of Sakal Papers Private Limited, P P Holdings Limited and COEP's Bhau Institute of Innovation Entrepreneurship and Leadership and has a number of years' experience in chemical and engineering products and agriculture. He is also a Director in the following companies viz : Bharat Forge Limited (also Chairman of its Audit Committee), Force Motors Limited (also Chairman of its Audit Committee), A P Holdings Private Limited, Wikas Printing and Carriers Pvt Ltd, Agrowon Smart Village Pvt Ltd, Sakal Media Pvt Ltd, Saam Infomedia Pvt Ltd, Audit Bureau of Circulations, The Indian News Papers Society and Media Research Users Council. Mr P G Pawar does not hold any shares in the Company as on 31st March, 2019.

Copy of the letter of appointment of Mrs Shruti Deepen Udeshi and of the draft appointment letter of Mr Pratap G Pawar as Independent Directors setting out the terms and conditions are available for inspection by Members at the Registered Office of the Company.

Mrs Shruti Deepen Udeshi and Mr Pratap G Pawar are deemed to be interested in the resolutions set out respectively at Item No. 5 and 6 of the Notice with regard to their respective appointments as Independent Directors.

The relatives of Mrs Shruti Deepen Udeshi and Mr Pratap G Pawar may be deemed to be interested in the resolutions set out respectively at Item Nos. 5 and 6 of the Notice, to the extent of their respective shareholding interest, if any, in the Company.

Save and except for the above, none of the other Directors/Key Managerial Personnel of the Company and/or their relatives are, in any way, concerned or interested, whether financially or otherwise, in the said resolutions.

The Board recommends the Ordinary Resolution set out at Item No. 5 and the Special Resolution set out at Item No.6 of the Notice for approval by the Members of the Company.

This Statement may also be regarded as a disclosure under the provisions of the Listing Regulations.

Item No.7

The Board of Directors of the Company on the recommendation of the Audit Committee has approved the appointment of M/s Joshi Apte & Associates, Cost Accountants, Pune (Firm Registration No.00240), to conduct audit of the cost records of the Company for the financial year ending 31st March, 2020 (Financial Year 2019-20).

In accordance with the provisions of Section 148 of the Companies Act, 2013 (the "Act") read with the Companies (Audit and Auditors) Rules, 2014 the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company. Hence this resolution is put up for the consideration of the Members.

The Board recommends the Ordinary Resolution set out at Item No.7 of the Notice for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives are, in any way, concerned or interested, financially or otherwise in the resolution set out at Item No.7 of the Notice.

Item No.8

Section 42 of the Companies Act, 2013 (the "Act") read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 deals with private placement of securities by a company. Sub-rule (2) of the said Rule 14 states that in case of an offer or invitation to subscribe for non-convertible debentures on private placement basis, a

company shall obtain previous approval of its Members by means of a special resolution only once in a year for all the offers or invitations for such debentures during the year. In this regard private placement means an offer of securities or invitation to subscribe securities to a select group of persons by a company (other than by way of public offer) through issue of a private placement offer letter and which satisfies the conditions specified in Section 42 of the Act.

In terms of the aforesaid provisions, the Members of the Company had, at the 50th Annual General Meeting held on 25th September, 2018, authorised the Board of Directors of the Company to offer or invite subscription for non-convertible debentures in one or more tranches aggregating upto an amount of Rs.150 Crores (Rupees One Hundred Fifty Crores only) on private placement basis on such terms and conditions including security as the Board may, from time to time, decide in the said year. It may please be noted that considering the scenario of possible reduction in interest rates as then prevailing during the financial year 2018-19, the Company had not made any private placement of non-convertible debentures pursuant to the authority accorded by the Members by the resolution passed at the 50th Annual General Meeting held on 25th September, 2018.

The Company may however require to augment its long term resources for financing, its planned or ongoing capital expenditure and for general corporate purposes and the Company may offer or invite subscription for secured or unsecured redeemable non-convertible debentures, in one or more series or tranches on a private placement basis, issuable or redeemable at par. CRISIL has assigned AA+/ Stable rating to the said proposed issue of non convertible debentures by the Company.

The approval of the Members is being sought by way of a Special Resolution under Sections 42 and 71 and other applicable provisions, if any, of the Act read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 to enable the Company to offer or invite subscription for NCDs on a private placement basis, in one or more tranches during the period of one year from the date of passing the resolution at Item No.8 within the overall borrowing limits of the Company, as approved by the Members from time to time.

The Board recommends the Special Resolution set out at Item No.8 of the Notice for approval by the Members of the Company.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives are, in any way, concerned or interested financially or otherwise, in the resolution set out at Item No.8 of the Notice.

Item No. 9

The Company and Corning Ventures France SAS (a French subsidiary of Corning Incorporated, USA) entered into a joint venture under the name "Corning Finolex Optical Fibre Private Limited" (CFOFPL). Pursuant to the approval of the Board of Directors of the Company at its meeting held on 8th February, 2011 an Agreement dated 16th June, 2011 ("JV Agreement") was entered into between the Company and CFOFPL in order for the Company to purchase optical fibre from CFOFPL (the "Transaction"). The business of CFOFPL is to purchase optical fiber produced by Corning Technologies India Private Limited and sell the same to merchant cablers in India.

The particulars of the Transaction in terms of Clause 3 of the Explanation to Rule 15 sub-rule (3) of the Companies (Meetings of Board and its Powers) Rules, 2014 are as under:

1	Name of the related party	Corning Finolex Optical Fibre Private Limited ("CFOFPL")
2	Name of the Directors or key managerial personnel who is related, if any	Mr D K Chhabria Mr Mahesh Viswanathan
3	Nature of relationship	Nominee Directors of the Company on the Board of CFOFPL.
4	Nature of material terms, monetary value and particulars of the contract or arrangement	Annual purchase value at current prices is estimated at Rs. 80.0 Crores or 2.0 Million KM Fibre quantity whichever is higher; normal credit period applicable is 30 days.
5	Any other information relevant or important for the Members to take a decision on the proposed resolution: Advantages for the Company by virtue of being a JV partner in CFOFPL are as under: (a) The Company would have confirmed long term source of supply for its fibre requirements as and when its requirement of fibre exceeds its own manufacturing capacity.	

	(b) From time to time, cable customers specify or mandate that their cable should be made with a specific brand of fibre. Where such specification requires the use of only Corning branded fibre, this JV Agreement allows the Company to procure fibre without entering into protracted negotiations. (c) The Company would participate equally in the profits that would accrue to CFOFPL via its operations. Being primarily a trading company, the investment in CFOFPL is not expected to be large and hence the returns would be attractive in the long run.

The Transaction is entered into in the ordinary course of business of the Company. The Ministry of Corporate Affairs has vide its General Circular No. 30 / 2014 dated July 17, 2014 clarified that contracts entered into by companies, after making necessary compliances under Section 297 of the then Companies Act, 1956, which already came into effect before the commencement of Section 188 of the Companies Act, 2013, that is, 1st April, 2014, will not require fresh approval under Section 188 till the expiry of the original term of such contracts, except where any modification in such contract is made on or after 1st April, 2014. However, for ensuring better corporate governance and as a matter of abundant caution, the approval of the Members is being sought by way of a special resolution.

The Board resolution dated 8th February, 2011 and the JV Agreement entered into between the Company and Corning Finolex Optical Fibre Private Limited are available for inspection by the Members at the Registered Office of the Company between 9.00 am to 11.00 am on any working day of the Company till 18th September, 2019.

It is in the interest of the Company to pass the special resolution. The Audit committee has approved the proposed resolution and the Board has approved and recommended the said resolution, which is being placed before the Members for their approval.

Mr D K Chhabria, Executive Chairman and Mr Mahesh Viswanathan, Deputy Managing Director & Chief Financial Officer of the Company are the nominees of the Company on the Board of Directors of CFOFPL. Accordingly, they may be deemed to be concerned or interested in this Special Resolution. Mr D K Chhabria and Mr Mahesh Viswanathan do not hold beneficial interest in any shares of or have any pecuniary interest in CFOFPL.

None of the other Directors or Key Managerial Personnel of the Company and/or their relatives is/are concerned or interested in the said resolution at Item No.9 of the Notice.

By Order of the Board of Directors

R.G. D'Silva
Company Secretary &
President (Legal)

Place : Pune
Dated : 14th August, 2019

Registered Office:
26/27, Mumbai-Pune Road,
Pimpri, Pune - 411018.
CIN: L31300MH1967PLC016531
Email: Investors@finolex.com

FINOLEX CABLES LIMITED

Regd. Office: 26-27, Mumbai – Pune Road,
Pimpri, Pune – 411 018
[CIN: L31300MH1967PLC016531]

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) : _____

Registered Address : _____

E-Mail ID : _____

Folio No. / DP ID : _____

Client ID : _____

I/We, being the member(s) holding _____shares of the above named Company, hereby appoint

(1) Mr/Mrs/Ms _____

residing at _____

E-Mail ID: _____or failing him

(2) Mr/Mrs/Ms _____

residing at _____

E-Mail ID: _____or failing him

(3) Mr/Mrs/Ms _____

residing at _____

E-Mail ID: _____,

whose signature/s is/are appended below, as my/our proxy to attend and vote for me/our behalf at the 51st Annual General Meeting of the Company, to be held on Wednesday, 18th September, 2019 at 11.30 a.m. at the Auditorium of Auto Cluster Development and Research Institute, H Block, Plot C-181, Near D'Mart, Chinchwad, Pune – 411019 and at any adjournment thereof in respect of such resolution as are indicated below:

Sr. No.	Resolution	Vote (Optional see Note 3)*	
		For	Against
	ORDINARY BUSINESS		
1	Adoption of financial statements (including consolidated financial statements) of the Company for the financial year ended 31st March, 2019 and the reports of the Board of Directors and Auditors thereon.		
2	Declaration of dividend @ 225% on equity shares for the financial year ended 31st March, 2019 (i.e. @ Rs.4.50 per equity share of Rs.2/- each fully paid up) for the financial year ended 31st March, 2019.		
3	Appointment of Mr Mahesh Viswanathan [DIN: 02780987], who retires by rotation, and being eligible, offers himself for reappointment as explained in Note No.13 of the Notice.		
	SPECIAL BUSINESS		
4	Appointment of Mr Mohan Lal Jain [DIN: 00148677] as Director of the Company, liable to retire by rotation.		
5	Appointment of Mrs Shruti Deepen Udeshi [DIN: 06900182] as Independent Woman Director of the Company for a period of five consecutive years with effect from 14th February, 2019.		
6	Reappointment of Mr Pratap G Pawar [DIN: 00018995] as Independent Director of the Company for a second term of five consecutive years with effect from 9th September, 2019.		
7	Ratify remuneration payable to M/s Joshi Apte & Associates, Cost Accountants, Pune (Firm Registration No.00240) pursuant to their appointment as Cost Auditor of the Company for the financial year 2019-20.		
8	To offer or invite subscriptions for secured/unsecured redeemable non-convertible debentures, in one or more series/tranches, aggregating upto Rs.150 Crores (Rupees One Hundred Fifty Crores Only) on private placement basis.		
9	Approval for the Company to continue to purchase optical fibre from Corning Finolex Optical Fibre Private Limited as set out at item No.9 of the Notice.		

Affix Re. 1/- Revenue Stamp

Signed this _____ day of September, 2019

_____
Signature of Shareholder

_____
Signature of 1st proxy holder

_____
Signature of 2nd proxy holder

_____
Signature of 3rd proxy holder

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For details of the Resolutions, Explanatory Statement and Notes, please refer to Notice of the 51st Annual General Meeting.
3. *It is optional to indicate your preference. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate which may not be what you desire.

FINOLEX CABLES LIMITED

Regd. Office: 26-27, Mumbai – Pune Road,
Pimpri, Pune – 411 018
[CIN: L31300MH1967PLC016531]

51ST ANNUAL GENERAL MEETING – WEDNESDAY, 18TH SEPTEMBER, 2019

ATTENDANCE SLIP

(To be handed over at the entrance of the venue of the Meeting)

Folio No.: _____ No. of Shares _____

DP ID : _____ Client ID : _____

_____

Name of the attending Member / Representative (in block letters)

_____

Name of the Proxy (in block letters)
(to be filled by the Proxy attending instead of the member)

I hereby record my presence at the 51st Annual General Meeting held on Wednesday, 18th September, 2019 at 11.30 a.m. at the Auditorium of Auto Cluster Development and Research Institute, H Block, Plot C-181, Near D'Mart, Chinchwad, Pune – 411019.

_____

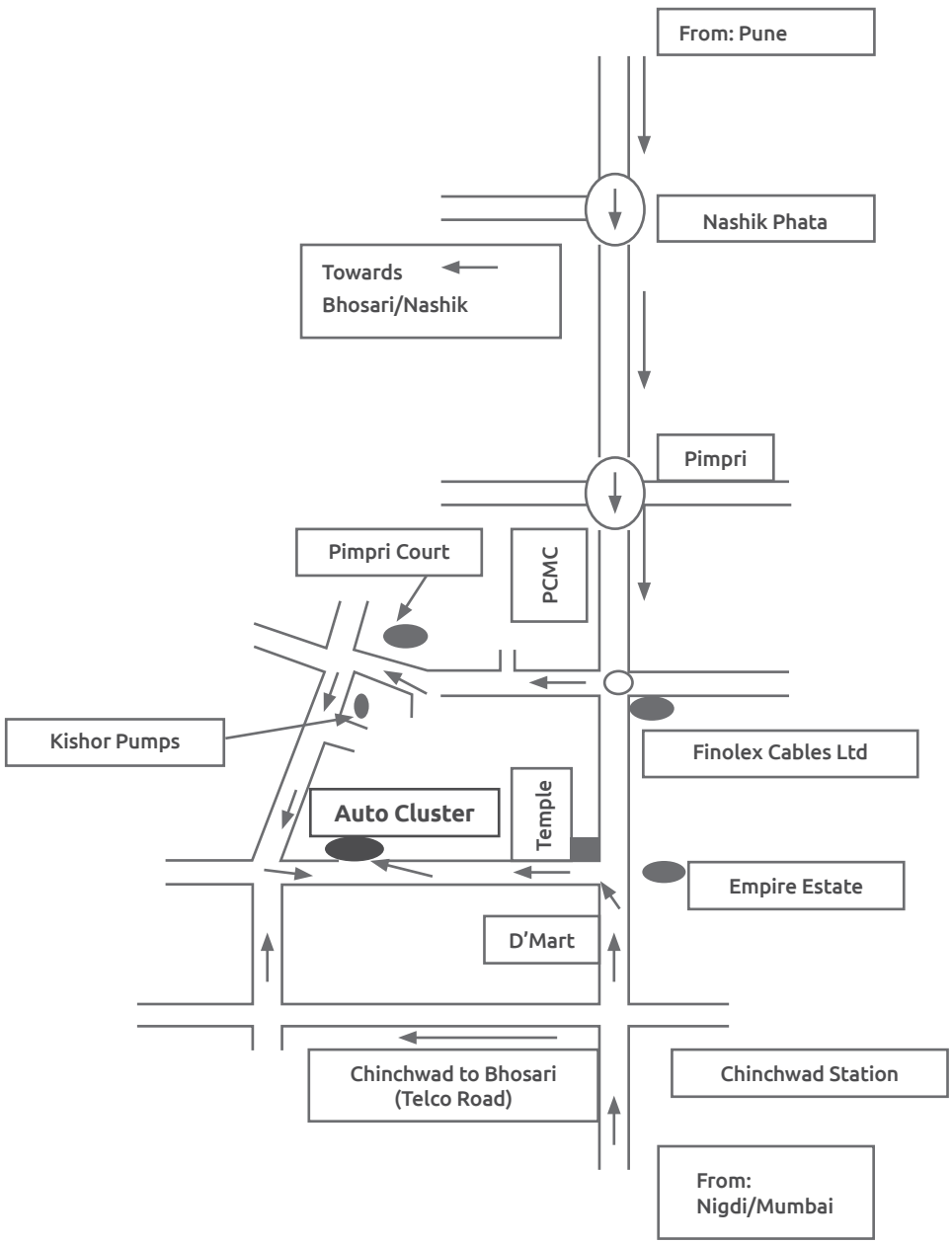
Member's/Representative's/Proxy's Signature

Notes : 1) Interested joint members may obtain attendance slips from the Registered Office of the Company.

2) Members/Joint members/proxies are requested to bring the duly filled in attendance slip with them. Duplicate slips will not be issued at the entrance of the Auditorium.

51st Annual General Meeting of Finolex Cables Limited to be held on 18-09-2019 at 11.30 a.m.

Venue: **Auditorium of Auto Cluster Development and Research Institute, Chinchwad, Pune-19**



Finolex
:DELIGHT

Customer Care
1800-209-0166

/FinolexOnline | /FinolexOnline | /Finolex.Online

Regd. Office: Finolex Cables Ltd., 26-27, Mumbai-Pune Road, Pimpri, Pune-411 018, India. | **Tel:** 020-27475963 | **Fax:** 020-27470344
CIN: L31300MH1967PLC016531 | **Visit us at:** www.finolex.com

Concept, Content & Design
WYATT Prism COMMUNICATIONS (info@wyatt.co.in)