

**TWENTY FIRST ANNUAL REPORT**  
**2013-14**



**CYBELE INDUSTRIES LIMITED**

# CYBELE INDUSTRIES LIMITED

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## BOARD OF DIRECTORS

**Mr.P.A.JOYKUTTY**  
*Chairman & Managing Director*

**Mrs.Annamma Joy**  
*Joint Managing Director*

**Mr. Thomas P. Joy**  
*Executive Director*

**Mr. N. Karuppiah**  
*Director*

**Mr. Sunny Kutty George**  
*Director*

**Mr. George Baby George**  
*Director*

## MANAGEMENT TEAM

**Mr.P.A.JOYKUTTY**  
*Chairman & Managing Director*

**Mrs.Annamma Joy**  
*Joint Managing Director*

**Mr. Thomas P. Joy**  
*Executive Director*

## AUDITORS

**M/s. KARPAGAM & CO.,**  
Chartered Accountants  
4, Balaji Avenue 1<sup>st</sup> Street,  
T.Nagar, Chennai - 600 017.

## REGISTERED OFFICE

No.138, SIDCO Industrial Estate  
Ambattur, Chennai – 600 098.

## CYBELE INDUSTRIES LIMITED

### NOTICE FOR THE TWENTY FIRST ANNUAL GENERAL MEETING

NOTICE is hereby given that the **Twenty First Annual General Meeting** of the Company will be held at the Company's Registered Office at No.138, SIDCO Industrial Estate, Ambattur, Chennai - 600 098 on Saturday, the 27<sup>th</sup> September, 2014 at 10.00 A.M. to transact the following business :

#### ORDINARY BUSINESS :

1. To receive, consider and adopt the Profit and Loss Account for the year ended 31<sup>st</sup> March, 2014 and the Balance Sheet as on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Thomas P Joy, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration :  
  
M/s. Karpagam & Company, Chartered Accountants, Chennai, retire and are eligible for re-appointment.

#### SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution.  
  
RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. N. Karupiah (holding DIN-02083289), Director of the Company and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office up to March 31, 2019, not liable to retire by rotation.

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

RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Sunny Kutty George (holding DIN-01739835), Director of the Company and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office up to March 31, 2019, not liable to retire by rotation.

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

RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. George Baby George (holding DIN-01844500), Director of the Company and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office up to March 31, 2019, not liable to retire by rotation.

(By Order of the Board)  
for **CYBELE INDUSTRIES LIMITED**

Place : Chennai  
Date : 30.05.2014

**P.A. JOYKUTTY**  
Chairman &  
Managing Director

## CYBELE INDUSTRIES LIMITED

### **NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXIES SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 SETTING MATERIAL FACTS IN RESPECT OF THE SPECIAL BUSINESS OF THIS NOTICE IS ANNEXED HERETO.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 25<sup>th</sup> September, 2014 to 27<sup>th</sup> September 2014 (both days inclusive)
4. Members / Proxies should bring the attendance slip duly filled in for attending the Meeting.
5. All documents referred to in the accompanying Notice are open for inspection at the Company's Registered Office during Office hours on all working days up to the date of the Annual General Meeting.
6. Members holding shares in physical form are requested to dematerialize the shares in electronic form to facilitate faster transfer and avoid rejections for bad deliveries. The share certificates may be sent directly to the Company Secretary / Registrar and Transfer Agents.
7. The Company's Equity Shares are presently listed at the Mumbai (BSE) and Madras (MSE) Stock Exchanges.

### **VOTING THROUGH ELECTRONIC MEANS:**

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the

Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to the members the facility to exercise their right to vote at the Twenty First Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL) on all resolutions set forth in this Notice.

### **The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on 18<sup>th</sup> September, 2014 (9.00 a.m) and ends on 20<sup>th</sup> September, 2014 (6.00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 29<sup>th</sup> August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

## CYBELE INDUSTRIES LIMITED

### For Members holding shares in Demat Form and Physical Form

- PAN** Enter your 10 digit alpha-numeric \*PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
- Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.( Sequence number has been provided as Serial Number (SL NO.) in the Address Label
  - In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
- DOB** Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
- Dividend Bank Details** Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN of the Company on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians

## CYBELE INDUSTRIES LIMITED

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

### Other Information:

- i. Mrs. Parimala Natarajan, Practicing Company Secretary (CP No. 5239 ), Chennai has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- ii. The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the company and make a scrutinizer's report of the votes cast in favour or against forthwith to the Chairman of the Company.
- iii. Voting is provided to the members through e-voting and at the Annual general meeting of the Company. A member can opt for only one

mode of voting i.e. either through e-voting or at the annual general meeting of the Company.

- iv. If a member casts votes by both modes, then voting done through e-voting shall prevail.

The results shall be declared not later than two days from the date of Annual General Meeting (AGM) of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.qflexcable.com](http://www.qflexcable.com) and on the website of CDSL within forty eight hours of AGM and communicated to the BSE Ltd., where the shares of the Company are listed.

### EXPLANATORY STATEMENT PRUSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No.4 to 6:

Your Board is of the opinion that all of the Independent Directors fulfill the conditions specified in the Act for appointment as Independent Directors of the Company. Non-executive Independent directors who will complete their present term at the ensuing AGM, being eligible and seeking re-appointment, be considered by the shareholders for re-appointment for a term of upto five consecutive years. Non-executive Independent directors who do not complete their term at the ensuing AGM, will continue to hold office till the expiry of their term and thereafter would be eligible for re-appointment for a fixed term in accordance with the Companies Act, 2013. Details in respect of directors who are proposed to be appointed as Independent Directors is given in the Annual Report. All are eminent personalities in their respective fields. Your Board considers that their continued association with the Company would be of immense benefit to the Company. In view thereof, your Board has recommended them to be classified as Independent Directors.

Accordingly, your Board has recommended for approval of the shareholders, under agenda item nos. 4 to 6 of the accompanying notice, the classification of the aforementioned directors also as Independent Directors pursuant to Section 149 of the Companies Act, 2013 read with Rules made thereunder, with their respective term of Office to be for a period of upto five years with effect from 1<sup>st</sup> April, 2014.

## CYBELE INDUSTRIES LIMITED

Concerned Directors are interested in their respective resolutions being related to their own appointments. Other than the aforesaid, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolutions as set out in item Nos. 4 to 6 of the accompanying notice. None of the directors are related inter se to each other.

This explanatory statement may also be regarded as a disclosure under clause 49 of the listing agreement with the Stock Exchange.

**Information required to be furnished under the Listing Agreement about the particulars of Directors who are proposed to be appointed / re-appointed at the Twenty First Annual General Meeting.**

a) Mr. Thomas P Joy holds a Bachelor Degree and is aged about 40 years. He has wide experience in the field of Technology and Management. He is not holding any

Directorship / Membership in the Board / Committee of other Companies.

b) Mr. N. Karuppiyah holds a Bachelor Degree in Commerce and is aged about 60 years. He has wide experience in the field of Finance, Administration and Management. He is not holding any Directorship / Membership in the Board /Committee of other Companies.

c) Mr. Sunny Kutty George holds a Bachelor Degree is aged about 53 years. He has wide experience in the field of Administration and Management. He is not holding any Directorship / Membership in the Board / Committee of other Companies.

d) Mr. George Bay George holds a Bachelor Degree is aged about 61 years. He has wide experience in the field of Accounts, Administration and Management. He is not holding any Directorship / Membership in the Board /Committee of other Compani

# CYBELE INDUSTRIES LIMITED

## DIRECTOR'S REPORT

Your Directors hereby present the Twenty First Annual Report together with the Audited Accounts for the year ended 31<sup>st</sup> March, 2014

### FINANCIAL RESULTS

	2013-2014	2012-2013
	( Rs. in Lakhs)	
Profit before Interest and Depreciation	244.07	470.49
Less : Interest	<u>19.14</u>	<u>20.12</u>
Profit before Depreciation	224.93	450.37
Less : Depreciation	<u>61.59</u>	<u>58.97</u>
	163.34	391.40
Less : Preliminary exp. written off	10.00	10.00
Net Profit carried to B/S	<u>153.34</u>	<u>381.40</u>

### DIVIDEND

The Board of Directors could not recommend any dividend due to future expansion activities of the Company.

### OPERATIONS

During the year under review, the Company has taken steps to improve the operations of the Company. The Company achieved a revenue of Rs.12.63 Crores and net profit of Rs.1.53 crores. The Directors are taking all the steps to improve the performance of the Company in the years to come.

### PERSONNEL

No employee was in receipt of remuneration in excess of the limits specified under Section 217(2A) of the Companies Act,1956.

### ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

Information pursuant to Section 217(1) (e) of the Companies Act,1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 is furnished in the Annexure..

### DIRECTORS

Mr. Thomas P Joy retires at the ensuing Annual General Meeting and offers himself being reappointed as Director.

### DIRECTOR'S RESPONSIBILITY STATEMENT

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

- (i) in preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2014, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the year under review;
- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the directors had prepared the accounts for the financial year ended 31<sup>st</sup> March, 2014 on a 'going concern' basis.

### Corporate Social Responsibility Committee

Your Directors have constituted the Corporate Social Responsibility Committee (CSR Committee) comprising Mr. N. Karupiah as the Chairman & Mr. Sunny Kutty George and Mr. P.A. Joykutty as members. The said committee as been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the frame work of the CSR Policy and recommending the amount to be spent on CSR activity.

### AUDITORS

M/s. Karpagam & Co., the Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

### CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreements with the Stock Exchanges, a Report on Corporate Governance with Auditor's Certificate on compliance of conditions of Corporate Governance with Auditor's Certificate on compliance of conditions of Corporate Governance and a



## CYBELE INDUSTRIES LIMITED

Management Discussion & Analysis Report have been attached to form part of the Annual Report.

above all the Shareholders and valued Customers for their continued support and patronage.

### ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation of the dedication and excellent contribution made by all the concerned. The Directors would like to thank the Suppliers and

(By order of the Board)  
for CYBELE INDUSTRIES LIMITED

Place : Chennai

**P.A.JOYKUTTY**

Date : 30.05.2014

Chairman  
& Managing Director

### ANNEXURES TO DIRECTOR'S REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

Information pursuant to the Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosures of particulars in the Report of Board of Directors) Rules, 1988.

product development, import substitution, etc. Nil

#### A. CONSERVATION OF ENERGY :

Energy conservation measures are being taken with in our Plant as an ongoing exercise.

3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished : Nil

#### B. TECHNICAL ABSORPTION :

##### FORM B

#### RESEARCH AND DEVELOPMENT

- |  |   |     |
|--|---|-----|
| 1. Specific areas in which R & D carried out by the Company  | : |     |
| 2. Benefits derived as a result of the above R & D           | : | Nil |
| 3. Future plan of action                                     | : |     |
| 4. Expenditure on R & D                                      | : |     |
| 1. Capital   |   |     |
| 2. Recurring   |   |     |
| 3. Total   |   |     |
| 4. Total R & D expenditure as a percentage of total turnover |   |     |

(a) Technology imported :

(b) Year of import

(c) Has technology been fully absorbed ?

(d) If not fully absorbed, areas where this has not taken place, reasons therefor and future plans of action

#### C. FOREIGN EXCHANGE EARNINGS AND OUTGO :

i) Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plans :nil

ii) Total foreign exchange used and earned :

	Current Year	Previous Year
	(Rs. in Lakhs)	
Used	—	—
Earned	—	—

#### TECHNOLOGY ABSORPTION, ADAPTATION, AND INNOVATION :

1. Efforts, in brief, made towards technology absorption, adaptation and innovation
2. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction,

(By order of the Board)  
for CYBELE INDUSTRIES LIMITED

Place : Chennai

**P.A.JOYKUTTY**

Date : 30.05.2014

Chairman  
& Managing Director

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**INDUSTRY STRUCTURE**

The Company is engaged in the business of manufacture and sale of Building Cables, Flexible Cables, Power Cables, Submersible Pump Cables, Automotive Cables, Control Cables and Railway Signaling Cables which are classified under the Industrial Structure as Electrical Cables and Wires and also in property development.

**OPPORTUNITIES AND THREATS**

The product portfolio of the Company is dominated by threats posed by manufacturers in un-organised sector. As the Government is initiating various measures to encourage the infrastructure and housing sector, there is possibility of increase in demand for cables and wires and also improvement in the real estate sector.

**RISK AND CONCERNS**

The fortune of the Company is dependent on entry barriers set up by electrical cables and wires business in the unorganized sector. Further as a manufacturer in the organized sector, the fixed costs in terms of administrative expenses are high.

**OUTLOOK**

The Company is doing well in business activities. The Company is expecting improvement in the coming days.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has adequate internal control system monitored by Internal Auditors who are reporting to the Audit Committee. The Audit Committee is meeting periodically for reviewing the performance of the Company and formulating policies / issuing guide lines to the Management.

**FINANCIAL PERFORMANCE**

The Company has made a profit of Rs. 1.53 crores during the year. The Company is taking necessary steps to improve the performance of the company .

**MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT**

During the year under review, the relationship between the staff and management was good and cordial.

# CYBELE INDUSTRIES LIMITED

## REPORT ON CORPORATE GOVERNANCE (2013-14)

**1. Company's Philosophy :**

Adherence to the Corporate Governance Standards by practicing principles of transparency, integrity and social accountability in all its operations.

**2. Board of Directors :**

Name of the Directors, Designation and Category	No. of Shares held	No. of Board Meetings attended	Attendance at last AGM	No. of other Directorships	Other Committee Membership	
					Chairman	Member
1 Mr.P.A.Joykutty Chairman and Managing Director Promoter Executive	4050148	4	Yes	—	—	—
2 Mr.Thomas P.Joy Executive Director Promoter Executive	304945	4	Yes	—	—	—
3 Mrs. Annamma .Joy Joint Managing Director Promoter Executive	2907050	4	Yes	—	—	—
4 Mr.George Baby George Non Executive Independant	—	2	No	—	—	—
5 Mr. N. Karuppiah Non Executive Independent	—	4	Yes	—	—	—
6 Mr. Sunny Kutty George Non Executive Independent	—	3	No	—	—	—

Number of Board Meetings held : 4

Dates on which held : 30<sup>th</sup> May, 2013; 10<sup>th</sup> August, 2013; 26<sup>th</sup> October, 2013 and  
8<sup>th</sup> February, 2014

**3. Audit Committee :**

The Company has an Audit Committee comprising of three Non-Executive Independent Directors namely, Mr. N. Karuppiah acting as Chairman, Mr. Sunny Kutty George and Mr. George Baby George are Members.

The Audit Committee oversees the Company's financial reporting process, reviews the annual financial statements with Management and holds discussions with internal and external auditors about the scope of audit and adequacy of internal control systems. The Committee held four meetings during the year.

**4. Nomination & Remuneration Committee :**

The Board has constituted a Nomination & Remuneration Committee comprising of three Non-Executive Independent Directors namely, Mr. N. Karuppiah acting as Chairman, Mr. Sunny Kutty George and Mr. George Baby George are Members. Remuneration for Whole time Directors is fixed by the Remuneration Committee. The remuneration policy followed by the Company to fix a remuneration to whole time Directors taking into consideration the qualifications and functional experience of the individuals and the prevailing remuneration packages especially in the Cable Industry.

## CYBELE INDUSTRIES LIMITED

### 5. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee of the Board is as follows:

1. Mr. N. Karupiah - Chairman
2. Mr. Sunny Kutty George - Member
3. Mr.P.A.Joykutty - Member

### 6. Stakeholders Relationship Committee:

The Board has constituted a Stakeholders Relationship Committee comprising of three Non-Executive Directors namely, Mr. N. Karupiah acting as Chairman, Mr. Sunny Kutty George and Mr. George Baby George are Members. as members to approve the Share Transfer, Transmission, Transposition of Name, Issue of Split / Duplicate Certificates and to review the status on redressal of Shareholder and Investor Complaints.

The Company has not received any complaints from the shareholders and all other requests / correspondence received from the shareholders were attended. There were no pending share transfer as on 31<sup>st</sup> March, 2014.

### 7. Annual / Extra Ordinary General Meetings :

Location and time where last three Annual /Extra Ordinary General Meetings held :

Year	Date	Time	Venue	AGM/EGM
2010-11	30.09.2011	11.00 A.M.	-do-	AGM
2011-12	27.09.2012	11.00 A.M.	-do-	AGM
2012-13	27.09.2013	11.00 A.M.	-do-	AGM

Details of Special Resolutions put through postal ballot during the financial year: -Special Resolution for amendment of Objects Clause u/s 17 of the Companies Act, 1956 was passed.

### 8. Disclosures

There are no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc., that may have potential conflict with the interest of the Company at large.

There were no instances of non-compliance or penalty, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.

### 9. Means of Communication :

Quarterly Financial results of the Company are published in local dailies and these are not sent individually to shareholders. The financial results are posted in the web site of the Company. Management Discussion & Analysis Report forms part of the Annual Report.

### 10. General shareholder Information

(i) **Annual General Meeting** : Annual General Meeting is proposed to be held at Company's Registered Office at No. 138, Sidco Industrial Estate, Ambattur, Chennai-600 098 on Saturday the 27<sup>th</sup> September, 2014 at 10.00 A.M.

(ii) **Financial Calendar**

Un audited Financial Results : Second week of August  
For the First Quarter  
Un audited Financial Results : Last week of October  
For the Second Quarter

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- Un audited Financial Results For the Third Quarter : Last week of January
- Un audited Financial Results For the Fourth Quarter : Last week of May
- (iii) **Annual General Meeting** : 3<sup>rd</sup> / 4<sup>th</sup> Week of September
- (iv) **Book Closure dates** : 25<sup>th</sup> September, 2014 to 27<sup>th</sup> September, 2014 (both days inclusive)
- (v) **Dividend payment date** : No dividend declared
- (vi) **Listing on Stock Exchanges** : Madras Stock Exchange Ltd.,(MSE)  
Bombay Stock Exchange Ltd,(BSE)
- (vii) **Stock Code** : MSE - Q-FLEXCABLE  
BSE - 531472

**(viii) Market Price Data (High / Low during each month in last Financial Year)**

Month/Year 2013-14	BSE	
	High (Rs.)	Low (Rs.)
April 2013	12.50	11.50
May 2013	14.30	13.75
June 2013	15.20	13.90
July 2013	14.85	13.60
August 2013	16.00	16.00
September 2013	16.50	16.00
October 2013	16.65	15.25
November 2013	17.00	17.00
December 2013	16.50	16.00
January 2014	16.20	15.40
February 2014	15.00	11.60
March 2014	11.60	08.10

**No trading activities of the Company's Equity Shares took place on the Madras Stock Exchange during the last financial year**

- (ix) **Share Price Performance in comparison to broad based indices such as BSE Sensex, NSE Nifty** : The details are not furnished as it is not applicable to our Company
- (x) **Share Transfer System and Registrar & Share Transfer Agents** : Share Transfers are effected on requests in DEMAT Form within an average of ten days from the date of receipt and within Fifteen days for requests received in physical form.

**Share Transfer Agents:**  
M/s.Cameo Corporate Services Ltd.,  
having their office at "Subramanian Building", No.1,  
Club House Road, Chennai -600 002.

## CYBELE INDUSTRIES LIMITED

### (xi) Distribution of Shareholding as on 31<sup>st</sup> March, 2014

Category (Number of Shares)	No. of Share holders	Percentage	No. of Shares	Percentage
Upto 500	1969	75.56	1490105	13.93
501- 1000	385	14.77	18125	0.17
1001- 2000	96	3.68	14425	0.13
2001- 3000	39	1.50	82449	0.77
3001- 4000	28	1.07	57274	0.54
4001 -5000	36	1.38	40284	0.38
5001-10000	29	1.11	99198	0.93
10001 & above	24	0.92	8893940	83.15
<b>Total</b>	<b>2606</b>	<b>100.00</b>	<b>10695800</b>	<b>100.00</b>

### (xii) Shareholding Pattern as on 31<sup>st</sup> March, 2014

Category	No. of Equity Shares	% to Paid- up Capital
Promoter Group	7728293	72.26
Corporate Bodies	195981	1.83
Mutual Funds	—	—
Fin. Institutions/Banks	—	—
Non-Resident individuals	35943	0.34
General Public	2735583	25.57
<b>Total</b>	<b>10695800</b>	<b>100.00</b>

### (xiii) Dematerialization of shares and Liquidity

: The Shares of the Company are compulsorily traded in dematerialized form and are available for trading under both depository systems in India –NSDL (National Securities Depository Limited) and CDSL – (Central Depository Services (India) Limited). As on 31<sup>st</sup> March, 2014 88,88,900 Equity shares representing 83.11% of the paid- up equity share capital have been dematerialized.

International Securities Identification Number (ISIN) of the Company for equity shares is INE 183D01010.

The Company has not issued any GDR/ ADR Warrants or any other convertible instruments.

## CYBELE INDUSTRIES LIMITED

<b>(xiv) Plant Location</b>	: No.138, Sidco Industrial Estate, Ambattur, Chennai – 600 098.
<b>(xv) Address for Correspondence</b>	: <b>Registered Office &amp; Factory :</b> No.138, Sidco Industrial Estate, Ambattur, Chennai – 600 098. Tel. No. 91-44-32958399 Fax. No. 91-44-43111117 E-mail : corporate@qflexcable.com

### DECLARATION BY MANAGING DIRECTOR

This is to declare that the respective Codes of Conduct envisaged by the Company for members of the Board and Senior management personnel have been complied with by all the members of the Board and Senior management personnel of the Company.

Place : Chennai  
Date : 30.05.2014

P.A. Joykutty  
Managing Director

### COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE AUDITORS CERTIFICATE

To

THE MEMBERS OF M/S. CYBELE INDUSTRIES LIMITED

We have examined the compliance of conditions of Corporate Governance by M/s. Cybele Industries Ltd, for the period ended on 31<sup>st</sup> March, 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

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 Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that, based on the confirmation given by the Registrars and Transfer Agent of the Company, as on 31<sup>st</sup> March, 2014 there were no investor grievances remaining unattended.

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

For **M/s. Karpagam & Co.**,  
Chartered Accountants

Place : Chennai  
Date : 30.05.2014

**S. SRIKANTH**  
Partner

## CYBELE INDUSTRIES LIMITED

### AUDITORS' REPORT TO THE MEMBERS OF M/S. CYBELE INDUSTRIES LIMITED REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Cybele Industries Limited which comprise the Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting

policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
  - (a) We have 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 and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.



## CYBELE INDUSTRIES LIMITED

(d) In our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act.

(e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2014 from being appointed as a director in terms of

clause (g) of sub-section (1) of section 274 of the Act.

For M/s. Karpagam & Co.,  
Chartered Accountants

Place : Chennai  
Date : 30.05.2014

S. SRIKANTH  
Partner  
Membership No.: 26588

### ANNEXURE TO THE REPORT OF THE AUDITORS TO THE MEMBERS OF M/s. Cybele Industries Limited

- |   |  |
|---|--|
| <p>1 (a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.</p> <p>(b) The management at reasonable intervals has physically verified these fixed assets; No material discrepancies were noticed on such verification.</p> <p>(c) A substantial part of the fixed assets have not been disposed of during the year.</p> <p>2 a) Physical verification of inventory has been conducted at reasonable intervals by the management.</p> <p>b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.</p> <p>c) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification</p> <p>3 The company has neither granted nor taken loans, secured or unsecured to or from companies, firms or other parties covered in the register to be maintained under s.301 of the Companies Act, 1956.</p> | <p>4 There is an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of fixed assets.</p> <p>5 This item does not arise as there are no transactions exceeding the value of five lakh rupees in respect of any party covered in the register to be maintained under s. 301 of the Companies Act, 1956 during the financial year under consideration.</p> <p>6 The company has not accepted deposits from the public.</p> <p>7 The company has an internal audit system commensurate with the nature and size and nature of its business.</p> <p>8 Maintenance of cost records has been prescribed in respect of the company.</p> <p>9 The company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Service tax, and tax deducted at source as applicable with the appropriate authorities and there are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.</p> <p>10 The company has not incurred cash losses in the immediately preceding financial year.</p> |
|---|--|

## CYBELE INDUSTRIES LIMITED

- 11 The company has not defaulted in repayment of dues to any financial institutions or banks or debentures holders.
- 12 The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13 As the company is not a chit fund this item is not applicable.
- 14 The company is dealing or trading in shares, securities, debentures and other Investments and proper records have been maintained of the transactions and Contracts and timely entries have been made therein; the shares, securities, debentures and other investments have been held by the company in its own name except to the extent of the exemption, if any, granted under s. 49 of the Act..
- 15 The company has not given any guarantee for loans taken by others from banks or financial institutions.
- 16 Term loans were applied for the purpose for which the loans were obtained.
- 17 An examination of the books, records and vouchers produced before us reveals that the funds raised on short term basis have not been used for long term investment and vice versa.
- 18 The company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under S.301.
- 19 As the company has not issued any debentures this item is not applicable.
- 20 As the company has not made any public issue of shares this item is not applicable.
- 21 No fraud on or by the company has been noticed or reported during the year.

For M/s. Karpagam & Co.,  
Chartered Accountants

Place : Chennai  
Date : 30.05.2014

S. SRIKANTH  
Partner  
Membership No.: 26588

**CYBELE INDUSTRIES LIMITED****BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2014**

in Rs.

Particulars	Note No.	As at 31 March, 2014	As at 31 March, 2013
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2	<b>104569550</b>	104569550
(b) Reserves and surplus	3	<b>159297120</b>	143963145
<b>2 Non-current liabilities</b>			
Deferred tax liabilities (net)	4	<b>2978495</b>	3248033
<b>3 Current liabilities</b>			
(a) Short-term borrowings	5	<b>14746226</b>	12945578
(b) Trade payables	6	<b>6343375</b>	13750126
(c) Other current liabilities	7	<b>54759409</b>	64920709
(d) Short-term provisions	8	<b>9864710</b>	20392452
<b>TOTAL</b>		<b><u>352558885</u></b>	<b><u>363789593</u></b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	9	90384069	85316970
(ii) Intangible assets	10	<b>1000000</b>	2000000
(b) Non-current investments	11	<b>45500000</b>	45500000
<b>2 Current assets</b>			
(a) Current investments			
(b) Inventories	12	<b>198475874</b>	198939122
(c) Trade receivables	13	<b>6801774</b>	11473121
(d) Cash and cash equivalents	14	<b>254917</b>	1449475
(e) Short-term loans and advances	15	<b>10142251</b>	19110905
<b>TOTAL</b>		<b><u>352558885</u></b>	<b><u>363789593</u></b>

**See accompanying notes forming part of the financial statements**

In terms of our report attached.

**For Karpagam & Co.**

Chartered Accountants

**S.Srikanth**

Partner

Place : Chennai

Date : 30.05.2014

**For and on behalf of the Board of Directors****P.A.JOYKUTTY**

Chairman &amp; Managing Director

**THOMAS P JOY**

Executive Director

## CYBELE INDUSTRIES LIMITED

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2014

Particulars	Note No.	For the year ended 31 March, 2014	For the year ended 31 March, 2013
<b>A CONTINUING OPERATIONS</b>			
1 Revenue from operations (gross)	16	126284230	178765874
Less: Excise duty & Sales tax		-	13187300
Revenue from operations (net)		<u>126284230</u>	<u>165578574</u>
2 Other income	17	-	283674
<b>3 Total revenue (1+2)</b>		<u><b>126284230</b></u>	<u><b>165862248</b></u>
<b>4 Expenses</b>			
(a) Cost of materials consumed	18	53779477	73384475
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	19	2979301	-3047076
(c) Employee benefits expense	20	13622278	13794352
(d) Finance costs	21	1914024	2011786
(e) Depreciation and amortisation expenses	22	7159069	6897395
(f) Other expenses	23	23624189	15853383
<b>Total expenses</b>		<u><b>103078338</b></u>	<u><b>108894315</b></u>
<b>5 Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)</b>		<u><b>23205892</b></u>	<u><b>56967933</b></u>
6 Exceptional items	24	-	-
<b>7 Profit / (Loss) before extraordinary items and tax (5 ± 6)</b>		<u><b>23205892</b></u>	<u><b>56967933</b></u>
8 Extraordinary items			
<b>9 Profit / (Loss) before tax (7 ± 8)</b>		<u><b>23205892</b></u>	<u><b>56967933</b></u>
<b>10 Tax expense:</b>			
(a) Current tax expense for current year	25	8141456	18546981
(b) Deferred tax	26	-269538	280788
<b>11 Profit / (Loss) for the year (9 ± 10)</b>		<u><b>15333974</b></u>	<u><b>38140164</b></u>
<b>12 Earning per share basic &amp; Diluted</b>	27	<b>1.47</b>	<b>3.65</b>

**See accompanying notes forming part of the financial statements**

In terms of our report attached.

**For Karpagam & Co.**

Chartered Accountants

**S.Srikanth**

Partner

Place : Chennai

Date : 30.05.2014

**For and on behalf of the Board of Directors**

**P.A.JOYKUTTY**

Chairman & Managing Director

**THOMAS P JOY**

Executive Director

# CYBELE INDUSTRIES LIMITED

## Cash Flow Statement for the year ended 31 March, 2014

Particulars	in Rs.	
	For the year ended 31 March, 2014	For the year ended 31 March, 2013
<b>A. Cash flow from operating activities</b>		
Net Profit / (Loss) before extra ordinary items and tax	23205893	56967933
<i>Adjustments for:</i>		
Depreciation and amortisation	7159069	6897395
Finance costs	1914024	2011786
<b>Adjustments for (increase) / decrease in operating assets:</b>		
Inventories	463248	-44315868
Trade receivables	4671347	-571732
Short-term loans and advances	8968654	-6236594
<b>Adjustments for increase / (decrease) in operating liabilities:</b>		
Trade payables	-7406751	-9536787
Other current liabilities	-10161300	15978461
Short-term provisions	-18669198	-8403383
<b>Net cash flow from / (used in) operating activities (A)</b>	<b><u>10144986</u></b>	<b><u>12791211</u></b>
<b>B. Cash flow from investing activities</b>		
Capital expenditure on fixed assets, including capital advances	-11226168	-11403486
Purchase of long-term investments		
- Others	-	409574
Proceeds from sale of long-term investments		
- Others	-	-
Cash flow from extraordinary items		-
<b>Net cash flow from / (used in) investing activities (B)</b>	<b><u>-11226168</u></b>	<b><u>-10993912</u></b>
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of equity shares		
Net increase / (decrease) in working capital borrowings	1800648	-1812510
Finance cost	-1914024	-2011786
<b>Net cash flow from / (used in) financing activities (C)</b>	<b><u>-113376</u></b>	<b><u>-3824296</u></b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b><u>-1194558</u></b>	<b><u>-2026997</u></b>
Cash and cash equivalents at the beginning of the year	1449475	3476472
<b>Cash and cash equivalents at the end of the year</b>	<b>254917</b>	<b>1449475</b>
<b>See accompanying notes forming part of the financial statements</b>		

(For and on behalf of the Board of Directors)

Place : Chennai  
Date : 30.05.2014

**P.A.JOYKUTTY**  
Chairman & Managing Director

**THOMAS.P.JOY**  
Executive Director

### AUDITOR'S CERTIFICATE

We have examined the attached Cash Flow Statement of M/s. Cybele Industries Limited for the period ended 31st March 2014. The statement has been prepared by the Company in accordance with the requirements of clause 32 of the Listing Agreements with the Stock Exchanges and it based on and in agreement with the corresponding Profit and Loss Statement and Balance Sheet of the company covered by our Report dated 30th May, 2014 to the Members of the Company.

Place : Chennai  
Date : 30.05.2014

For **M/S KARPAGAM & CO**  
Chartered Accountants  
S. Srikanth  
Partner

# CYBELE INDUSTRIES LIMITED

## 1. SIGNIFICANT ACCOUNTING POLICIES

### 1.1 Basis of preparation of financial statements:

The financial statements of the company are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historic convention on the accrual basis except for certain financial instruments which are measured at fair values. The company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under the Companies (Accounting Standard) Rules 2006 (as amended) the relevant provisions of the Companies Act 1956. Accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

### 1.2 Use of estimates:

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period.

Estimates are based on the current events and actions and the actual results could differ from those estimates from period to period. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in the estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

The management periodically assesses using external and internal sources whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the assets net selling price and values in use, which means the present value of future cash flows expected to arise from the continuing use of the assets and its eventual disposal. An impairment loss for an asset other than goodwill is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

### 1.3 Revenue Recognition:

The company follows the mercantile system of accounting and recognizes income on accrual basis, in accordance with the requirements of the companies Act, 1956.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be readily measured. For some of the services rendered, the company collects service tax on behalf of the government and therefore, it is not an economic benefit flowing to the company hence it is excluded from revenue.

Income from operations comprises of income from the following heads mainly freight forwarding, customs clearance, logistics and support services, warehousing etc., representing the gross value of service rendered by the company to its customers.

Interest is recognized using time proportion method based on the rates implicit in the transaction. Interest income is included under the "Other Income" in the statement of Profit and loss.

## CYBELE INDUSTRIES LIMITED

### 1.4 Fixed Assets:

Fixed assets are stated at acquisition cost less accumulated depreciation and impairment if any. Direct costs are capitalized until fixed assets are ready for use. Computer equipment includes bought out software.

Advances paid towards acquisition of fixed assets are disclosed as capital advances.

### 1.5 Depreciation and amortization:

Depreciation of fixed assets is provided on straight line method. The depreciation rates prescribed in Schedule XIV to the companies Act, 1956 are considered as the minimum rates. Depreciation on additions to fixed assets has been calculated on pro-rata basis. Individual low cost assets (acquired for 5000/= less) are fully depreciated in the year of acquisition.

### 1.6 Inventories:

Inventories comprises of raw materials, work-in-process and finished goods pertaining to cable division and land bank pertaining to property division are valued at lower of cost and net realizable value.

### 1.7 Investments:

Trade investments are the investments made to enhance the company's business interests. Investments are either classified as current or long term based on managements intention at the time of purchase. Investments which are readily realize and intended to be held for not more than one year from the date on which investments are made, are classified as current investments.

Current investments are carried at the lower of cost and fair value of each investment individually. Long term investments are carried at cost less provisions recorded to recognize any decline, other than temporary, in the carrying value of each investment.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

### 1.8 Employee Benefits:

All employee benefits payable within twelve months of rendering the service are classified as short term employee benefits. Short term employee benefits in the nature of salary, wages, bonus, leave encashment and the expected cost of ex-gratia are recognized and accounted for on accrual basis in the period in which the employee renders the related service.

Provident fund and employees state insurance scheme is a defined contribution plan, each eligible employee and the company makes equal contributions at a percentage on the basic salary specified under the employee's provident fund and miscellaneous provision Act,1952 and employees state insurance act,1948 respectively. The company's contributions are charged to the profit and loss account in the year when the contributions to the respective funds are due. The company has no further obligations under the plan beyond its periodic contributions.

### 1.9 Borrowing costs:

Borrowing costs are recognized as an expense in the period in which they are included.

### 1.10 Taxation:

Tax expenses comprise current tax. Current income tax measured at the amount expected to be paid to the tax authorities in accordance with the income tax act,1961. A provision is made for income tax annually based on the tax liability computed after considering tax allowances and exemptions. The tax rates and laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflects the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for earlier years. Deferred tax on timing differences between taxable income and accounting income is accounted for, using the tax laws enacted or substantially enacted as on the balance sheet date.

## CYBELE INDUSTRIES LIMITED

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for all deductible timing only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

### 1.11 Cash and cash equivalents:

Cash and cash equivalents comprise cash and cash on deposit with banks. The company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

### 1.12 Cash flow statement:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

### 1.13 Provisions:

Provisions are recognized when the company has a present obligation, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

### 1.14 Segment Reporting:

The Company is engaged in the business of manufacture of Cables and Property development / real estate activities. The Company has no reportable geographical segments. The company has complied in accordance with Accounting Standard 17 on Segment Reporting issued by the Institute of Chartered Accountants of India.

### 1.15 Earnings per share:

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. For the purposes of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

	<b>As at March 31st 2014</b>	<b>In Rs. As at March 31st 2013</b>
<b>2 SHARE CAPITAL</b>		
Authorised 11215500 equity shares of Rs.10/- each	112155000	112155000
Issued and subscribed 10695800 equity shares of Rs.10/- each Called and paid up For consideration other than cash 576800 equity shares issued as bonus shares of Rs.10/- each for consideration other than cash out of the revaluation of the land	106958000	106958000
Issued to promoters of Asia Cables due to its merger as per BIFR order For cash consideration 4443500 shares of Rs.10/- each	5768000	5768000
Less allotment money due	44435000	56755000
	2388450	
	42046550	42046550
<b>Total</b>	<b>104569550</b>	<b>104569550</b>



## CYBELE INDUSTRIES LIMITED

	As at March 31st 2014	As at March 31st 2013
<b>3 RESERVES AND SURPLUS</b>		
Subsidy	195000	195000
General Reserve as per last balance sheet	143768146	105627981
General Reserve as per current balance sheet	15333974	38140164
	<u>159297120</u>	<u>143963145</u>
<b>4 NON CURRENT LIABILITIES</b>		
Defferred tax liability <sup>31</sup>		
Impact of diffrences between tax depreciation and depreciation charged in the financial statements	<u>2978495</u>	<u>3248033</u>
<b>5 CURRENT LIABILTIES</b>		
Short term borrowings		
Working capital loan from bank	<u>14746226</u>	<u>12945578</u>
<b>6 TRADES PAYABLE</b>	<u>6343375</u>	<u>13750126</u>
Trade payables are dues in respect of purchases made/services received in the normal course of business		
<b>7 OTHER CURRENT LIABILITIES</b>		
Advanced recd. From customers	25000	275000
Mar gregorious college	-	30000
Suji thomas	1626	1626
Basker	500000	-
Thomas P Joy	-	85347
Rotomac Industries Madras	1504218	1804218
Thomas Alexander	-	600000
Booking Advance for flata	40029308	47585450
Vijayshanthi builders ltd	12000000	12000000
Car Loan	699257	2539068
	<u>54759409</u>	<u>64920709</u>
<b>8 SHORT TERM PROVISIONS</b>		
Provision for income tax	8141456	19246712
Provision for Sales tax	698563	63372
Provision for wages and Salary, E.S.I, P.F	1024691	1082368
	<u>9864710</u>	<u>20392452</u>

## CYBELE INDUSTRIES LIMITED

### 9 NON CURRENT ASSETS

#### FIXED ASSETS STATEMENT AS ON 31st MARCH, 2014.

(Rs.)

Particulars	GROSSBLOCK			DEPRECIATION					NET BLOCK	
	Cost of Acquisition 01/04/2013	Additions	Deletions	Cost of Acquisition 31/03/2014	Rate	Depreciation as on 31/03/2013	Depreciation for the Year	Depreciation as on 31/03/2014	W.D.V as on 31/03/2013	W.D.V as on 31/03/2014
Land	41287323	0	0	41287323	—	0	0	0	41287323	41287323
Building - Factory	11393959	9247163	0	20641122	3.34%	721858	689413	1411271	10672101	19229851
Plant and Machinery	50468717	0	0	50468717	5.28%	32298498	2664748	34963246	18170219	15505471
Lab Equipments	130202	56955	0	187157	5.28%	88345	9882	98227	41857	88930
Air Conditioners	688157	918812	0	1606969	5.28%	286635	84848	371483	401522	1235486
Office Equipments	2266235		0	2266235	6.33%	2241333	24902	2266235	24902	0
Xerox Machine	142140	0	0	142140	6.33%	142140	0	142140	0	0
Furniture & Fittings	4367225	916895	0	5284120	6.33%	1374495	334485	1708980	2992730	3575140
Motor Car (Vehicles)	21648889	0		21648889	9.50%	10263935	2056645	12320580	11384954	9328309
Motor Cycle	209987	54243	0	264230	9.50%	105569	25102	130671	104418	133559
Tools & Dies	271450	0	0	271450	4.75%	271450		271450	0	0
Computers	1922381	32100	0	1954481	16.25%	1685437	269044	1954481	236944	0
<b>Total</b>	<b>134796665</b>	<b>11226168</b>	<b>0</b>	<b>146022833</b>		<b>49479695</b>	<b>6159069</b>	<b>55638764</b>	<b>85316970</b>	<b>90384069</b>
<b>Previous Year</b>	<b>123393179</b>	<b>11403486</b>	<b>0</b>	<b>134796665</b>		<b>43582300</b>	<b>5897395</b>	<b>49479695</b>	<b>79810879</b>	<b>85316970</b>

**As at March 31st  
2014**

**As at March 31st  
2013**

### 10 INTANGIBLE ASSET

GOOD WILL

1000000

2000000

### 11 NON CURRENT INVESTMENT

1.Rotomac Industries Madras

44800000

44800000

2.Technilek

700000

700000

**Total**

45500000

45500000

### 12 CURRENT ASSETS

#### INVENTORIES

Land at Kandigai

28573045

34069080

Land for Real Estate

156070489

148416789

Raw Material

1356462

998074

Finished goods

11856617

13917311

Work in process

619261

1537868

198475874

198939122

### 13 TRADE RECEIVABLES

6801774

11473121

## CYBELE INDUSTRIES LIMITED

	As at March 31st 2014	As at March 31st 2013
<b>14 CASH AND CASH EQUIVALENTS</b>		
Cash at Bank	217696	1318857
Cash on Hand	37221	130618
	<b>254917</b>	<b>1449475</b>
<b>15 SHORT TERM LOANS AND ADVANCES</b>		
Deposits	871445	777151
Advance and Deposits	6255315	8011450
Arjuna Reddy	-	86935
Advance Tax IT	2800000	10231320
Tax paid at source	3377	4049
Excise duty	212114	-
	<b>10142251</b>	<b>19110905</b>
<b>16 INCOME FROM OPERATIONS</b>		
Sales of cables	63117872	86731419
Income from real estate activities	63166358	92034455
Income from operations (Gross)	126284230	178765874
less: Excise duty & Sales tax collected	-	13187300
Income from operations (nett)	<b>126284230</b>	<b>165578574</b>
<b>17 OTHER INCOME</b>		
Interest received	-	283674
<b>18 COST OF MATERIALS CONSUMED</b>		
Opening stock raw material	998074	1301349
Add purchases	48641830	63241057
	<b>49639904</b>	<b>64542406</b>
Less excise and sales tax input credit		
Less closing stock raw material	1356462	998074
Rawmaterial consumption     A	<b>48283442</b>	<b>63544332</b>
opening stock-Land	182485869	140913802
Add purchases	7653700	51412210
	<b>190139569</b>	<b>192326012</b>
Less closing stock -Land	184643534	182485869
	<b>5496035</b>	<b>9840143</b>
Total consumption             B	<b>53779477</b>	<b>73384475</b>
A+B		
<b>19 CHANGES IN INVENTORIES</b>		
Opening stock - work in process	1537868	1569668
- Finished goods	13917311	10838435
	<b>15455179</b>	<b>12408103</b>
Less closing stock - work in process	619261	1537868
- finished goods	11856617	13917311
	<b>2979301</b>	<b>-3047076</b>

## CYBELE INDUSTRIES LIMITED

	As at March 31st 2014	As at March 31st 2013
<b>20 EMPLOYEE BENEFIT EXPENSES</b>		
Salary	11043041	11268512
Wages	407662	211418
Gratuity	24923	-
Staff welfare	626681	466030
Contract labour wages	1134519	1190532
EPF Contribution	225986	278440
ESI Contribution	159466	181216
Exgratia	198204	198204
	<b>13622278</b>	<b>13794352</b>
<b>21 FINANCE COST</b>		
Interest on car loan	147359	234388
CC Interest	1766665	1777398
Interest on loan	-	-
	<b>1914024</b>	<b>2011786</b>
<b>22 DEPRICIATION AND AMORTISATION EXPENSES</b>		
<b>DEPRICIATION</b>	6159069	5897395
Goodwill Return off	1000000	1000000
	<b>7159069</b>	<b>6897395</b>
<b>23 OTHER EXPENSES</b>		
Consumable stores	241920	443788
Freight inwards	92865	74960
Labour Charges	2915	68604
Packing Materials	-	16499
Electricity Charges	2380132	2055684
Machinery maintenance	326552	832289
Property tax	233566	151954
Audit fees	154500	112125
Books and periodicals	1880	10580
Computer maintenance	52152	39698
Despatch expenses	14520	117167
Freight outwards	340460	216504
Fuel expenses	557631	1171680
Handling expenses	23611	33602
Income tax	270357	-
Inspection charges	61656	30726
Loading and unloading charges	5689	8464
Sales promotion exp	2114451	2324
Telephone charges	250207	319172
Testing charges	5058	2247

## CYBELE INDUSTRIES LIMITED

	As at March 31st 2014	As at March 31st 2013
Advertisement	1066548	1622036
Bad debts	3395454	133123
Bank charges	231139	36021
Buisness promotion expenses	-	260910
Commission	3000	17775
Donation	305000	70000
Electrical maintenance	322061	363801
Insurance	215068	375634
Micelleneous expenses	269852	840691
Office Maintenance	41165	40033
Postage and telegram	74500	66428
Printing and stationery	300020	179066
Professional fees	7500	25542
Rates and taxes	306723	103720
Rent	-	40000
Repairs and maintenance - building	2737629	2755125
Share maintenance expenses	160532	180274
Travelling and conveyance	1087993	1810184
Vehicle maintenance	527759	465335
Rounding off.	141	-54
Consultation charges	57100	47831
Discount allowed	38688	145242
Legal exp	78890	-
Membership fees	11000	-
Land development expenses	5247063	197680
Clearing Charges & Customs Duty	-	151178
Excise Duty Paid	-	157026
Ayudha Pooja Expenses	9242	48688
Service Charges	-	12027
	<u>23624189</u>	<u>15853383</u>
<b>24 EXCEPTIONAL ITEM</b>	-	-
	<u>8141456</u>	<u>18546981</u>
<b>25 CURRENT TAX</b>		
<b>26 DEFERRED TAX</b>		
Written down value as per company act	-90384069	
Written down value as per I.T act	-80744928	
Difference	9639141	
30.90%	2978495	
Less 2967245	3248033	
	<u>-269538</u>	
	<u>-269538</u>	<u>280788</u>

## CYBELE INDUSTRIES LIMITED

	As at March 31st 2014	As at March 31st 2013
<b>27 Earning per share</b>	1.47	3.65
<b>28</b> Balances of the sundry debtors and sundry creditors are subject to confirmation.		
<b>29</b> Related party disclosure There are no related party transactions during the year		
<b>30</b> Remuneration to Directors	1560000	1500000
<b>31</b> Auditors remuneration	125000	125000
<b>32</b> The company operate in two segments namely. Cables and wires and property development		

In terms of our report attached.

**For Karpagam & Co.**

Chartered Accountants

**S.Srikanth**

Partner

Place : Chennai

Date : 30.05.2014

**For and on behalf of the Board of Directors**

**P.A.JOYKUTTY**

Chairman & Managing Director

**THOMAS P JOY**

Executive Director

**CYBELE INDUSTRIES LIMITED**

Regd. Office : 138, Sidco Industrial Estate, Ambattur, Chennai - 600 098.

**ATTENDANCE SLIP - AGM**

Please complete this attendance slip and hand it over at the entrance of the meeting hall.

Name of the attending member .....

Folio No. .... No. of Shares .....

DP Id\* : .....

Client Id\* : .....

\*(Applicable to investors holding shares in electronic form)

Name of Proxy\* .....

\*(If proxy attends instead of member)

I hereby register my presence at the Twenty First Annual General Meeting of the Company.

Venue : Registered Office at No.138, SIDCO Industrial Estate, Ambattur, Chennai - 600 098

Date : Saturday, the 27<sup>th</sup> September, 2014

Time : 10.00 A.M.

**REQUEST TO MEMBERS**

1. Members and their proxies / bodies corporate should bring the attendance slip duly filled in for attending the Meeting.
2. Members are requested to bring their copies of Annual Report to the Meeting.
3. Members are requested to note that no gifts will be distributed at the Meeting.

Signature of Member / Proxy

-----Tear here-----

**CYBELE INDUSTRIES LIMITED**

Regd. Office : 138, Sidco Industrial Estate, Ambattur, Chennai - 600 098.

**PROXY FORM - AGM**

Folio No. ....

DP Id\* : .....

Client Id\* : .....

\*(Applicable to investors holding shares in electronic form)

I / We ..... being a Member / Members

of Cybele Industries Limited hereby appoint .....

of ..... in the district of ..... or failing him .....

of ..... in the district of ..... as my / our proxy to attend and vote for

the 27th September, 2014 at 10.00 a.m. and at any adjournment thereof.

Signed this ..... day of ..... 2014

For Office Use	
Proxy No.	
Date of receipt	
No. of shares	

Affix Rs.1  
Revenue  
Stamp

N.B. : The instrument appointing proxy should be deposited with Company's Registered Office / Factory at least 48 hours before the commencement of the meeting.

\* Please fill in the particulars as given in the address slip.

Book - Post  
Printed Matter

To

*If undelivered, Please return to :*

**CYBELE INDUSTRIES LIMITED**

No. 138, Sidco Industrial Estate, Ambattur; Chennai - 600 098