

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Code of Governance

The Company's philosophy on Corporate Governance envisages the attainment of the high level of transparency and accountability in the functioning of the Company and the conduct of its business internally and externally including its interaction with employees, shareholders, customers, institutions and other lenders and places due emphasis on regulatory compliance.

2. Board of Directors

Composition of the Board

The Board comprises of ten Directors of which five are independent Directors. The composition of Board is in conformity with Clause 49 of Listing Agreement which stipulates that at least 50% of the Board should consist of independent Directors in case of Executive Chairman of the Board.

Number of Board Meetings

The Board of Directors met four times during the year on 31st May 2011, 10th August, 2011, 12th November, 2011 and 11th February, 2012. The maximum time gap between any two consecutive meetings did not exceed four months.

Directors' attendance record and Directorships held

Attendance of each Director at the Board Meetings and the last Annual General Meeting and number of other Directorships and Chairmanship / Memberships of Committees of each Director was as follows:

Name of Director	Category of Directorship	No. of Board Meetings attended	Attendance at last AGM	Outside Company Directorships *	Outside Committee position held as	
					Member	Chairman
Mr. H A Khatau	Chairman & Managing Director	4	Yes	2	1	-
Mrs. N. H. Khatau	Vice Chairperson – NED/ Not Independent	3	Yes	1	-	-
Mr. G. D. Bhingarkar	NED / Independent	4	Yes	Nil	-	-
Mrs. N.B. Pasta	NED / Independent	4	Yes	3	-	-
Mr. Mukul Kasliwal	NED / Independent	3	No	11	3	-
Mr. C Sundershyam	NED / Independent Nominee of SBI	3	Yes	2	-	-
Mr. Abhijit Datta	NED / Independent	3	Yes	6	1	-
Mr. Rajiv Saxena	NED/ Not Independent	Nil #	No	2	-	-
Mr. R Sridharan	Executive / Not Independent	4	Yes	Nil	-	-
Mr. Rohan H Khatau ** (w.e.f.11.02.2012)	Additional Director / Not Independent	N.A	N.A	-	-	-

NED - Non-Executive Director

* Directorships in Private Companies and foreign companies are excluded.

** Additional Director to be re-appointed at this Annual General Meeting

leave of absence was granted for all the meetings.

As required by the Companies Act, 1956 and Clause 49 of the Listing Agreement, none of the Directors hold directorships in more than 15 public companies, memberships of Board Committees (Audit / Shareholders Grievance Committees) in excess of 10 and Chairmanship of Board Committees as aforesaid in excess of 5.

Information placed before the Board

As a policy, all major decisions involving new investments and capital expenditure, in addition to matters which statutorily require Board approval, are put up for consideration of the Board. Inter-alia, the following information is regularly provided to the Board as part of the agenda papers well in advance of the Board meetings or is tabled in the course of the Board meeting.

- Annual operating plans and budgets.
- Capital budget-purchase and disposal of plant, machinery and equipments.
- Quarterly, half yearly and annual results of the Company.
- Minutes of the meetings of the Audit Committee and other Committees of the Board.
- Information on recruitment and remuneration of senior officers just below the level of the Board.
- Materially important show cause, demand, prosecution notices and penalty notices.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company, or substantial non-payments by clients.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgments or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Details of any joint venture agreement or collaboration agreement.

- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development in human resources or on the industrial relations front like signing of wage agreement etc.
- Sale of material nature of investments, subsidiaries, assets, which are not in the normal course of business.
- Quarterly details of foreign exchange exposure and the steps taken by the management to limit the risk of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirement and shareholders service such as non-payment of dividend, delay in share transfer etc.

The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company as well as steps taken by the Company to rectify instances of non-compliances.

Directors with pecuniary relationship or business transaction with the Company

All Executive Directors receive salary, allowances and perquisites while all Non-Executive Directors receive sitting fees.

Remuneration to Directors

(Amount in Rs.)

Name of Directors	Sitting fees*	Salaries, allowances and perquisites
Mr. H A Khatau	NIL	45,15,108
Mrs. N. H. Khatau	30,000	Nil
Mr. G. D. Bhingarkar	20,000	Nil
Mrs. N. B. Pasta	40,000	Nil
Mr. Mukul Kasliwal	30,000	Nil
Mr. C Sundershyam	15,000	Nil
Mr. Abhijit Datta	35,000	Nil
Mr. Rajeev Saxena	NIL	Nil
Mr. R Sridharan	NIL	23,30,227
Mr. Rohan H Khatau (w.e.f. 11.02.2012)	NIL	NIL

*Sitting fees includes payment to the Directors for attending meetings of Board & Committees

The terms of employment of the Chairman and Managing Director and Director – Strategy and Business Development stipulates a severance notice of three months on either side or payment of three months salary in lieu of notice.

During 2011-12 the Company did not advance any loans to any of its Directors. No Stock Options have been issued to any of the Directors on the Board.

Code of Conduct

The Board of Directors has laid down Code of Conduct for all the Directors and the designated employees in the senior management. A copy of the Code of Conduct is available on the website of the company: www.cablecorporation.com. All the Board members and senior management executives have affirmed compliance with the Code of Conduct. A declaration to this effect signed by Mr. Hiten A. Khatau, Chairman and Managing Director is annexed to this report.

BOARD COMMITTEES

The Company has four Board-level Committees - Audit Committee, Shareholders' / Investors' Grievance Committee, Remuneration Committee and Asset Sale Committee. All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of reference for Committee members are taken by the Board of Directors. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below:

I. Audit Committee

As on 31st March, 2012, the Audit Committee comprises of Mrs. N.B. Pasta as Chairperson, Mrs. N. H. Khatau, Mr. Mukul Kasliwal and Mr. Abhijit Datta as Members. The Committee's Powers and role are as stipulated in Clause 49 of the Listing Agreement and under Section 292A of the Companies Act, 1956.

During the year under review, four Audit Committee Meetings were held i.e. on 31st May, 2011, 10th August, 2011, 12th November, 2011 and 11th February, 2012. The minutes of the meetings of the Audit Committee are reviewed and noted by the Board. The composition of the Committee and the attendance at the meetings of the Committee are as under:

Name of the Member	Category	Position	No. of Meetings held	No. of Meetings attended
Mrs. N. B. Pasta	Non Executive (Independent Director)	Chairperson	4	4
Mrs. N. H. Khatau	Non – Executive (Non Independent Director)	Member	4	3
Mr. Mukul Kasliwal	Non-Executive (Independent Director)	Member	4	3
Mr. Abhijit Datta	Non-Executive (Independent Director)	Member	4	3

All members of the Audit Committee have accounting and financial management expertise. The Chairperson of the Audit Committee attended the Annual General Meeting (AGM) held on 10th August, 2011 to answer shareholder queries.

The functions of the Audit Committee of the Company include the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
- Recommending to the Board, the appointment, re-appointment and , if required, the replacement or removal of the statutory auditor and the fixation of audit fees
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors
- Appointment of Internal Auditors and fixation of their audit fees
- Reviewing with the management, the annual financial statements 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 (2AA) of Section 217 of the Companies Act, 1956
 - 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 the management
 - Significant adjustments made in the financial statements arising out of audit findings
 - Compliance with listing and other legal requirements relating to financial statements
 - Disclosure of any related party transactions
 - Qualifications in the draft audit report
- Reviewing with the management, the quarterly, half yearly and yearly financial statements before submission to the Board for approval
- Reviewing with the management, performance of the statutory and internal auditors and adequacy of the internal control systems
- Reviewing the adequacy of internal audit function, if any, 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
- Discussion with the internal auditors any significant findings and follow-up there on
- 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
- Discussion with the statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussion to ascertain any areas of concern.
- To look into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- Carrying out any other function as mentioned in the terms of reference of the Audit Committee.
- Approval of appointment of 'CFO' by the Audit Committee.

II. Shareholders Grievances and Transfer Committee

The Shareholders Grievances and Transfer Committee comprises of Mrs. N. H. Khatau as Chairperson, Mrs. Nayna B Pasta, Mr. G. D. Bhingarkar and Mr. Mukul Kasliwal as members.

The Shareholders'/Investors' Grievance Committee deals with various matters relating to:

- transfer /transmission of shares
- issue of duplicate share certificates
- review of shares dematerialized and all other related matters
- monitors expeditious redressal of investors grievances
- non receipt of Annual Report and dividend
- all other matters related to Shares/ Debentures

During the year under review, 6 complaints were received from the shareholders / debenture holders and out of that none were pending for redressal as on 31st March, 2012 as certified by M/s Link Intime India Pvt. Ltd., the Registrar & Transfer Agents of the Company.

M/s Link Intime India Pvt. Ltd., looks after the work related to share transfer, etc. The minutes of the Share Transfer and Investors' Grievance Committee are periodically placed before the Board of Directors of the Company.

The Committee generally meets twice a month.

III. Remuneration Committee

Although not mandated under Clause 49 of the Listing Agreement, the Company has a Remuneration Committee. The Committee comprises of Mr. Mukul Kasliwal as Chairman, Mr. H A Khatau, Mr. Abhijit Datta and Mr. C Sundershyam as members. During the period under review Remuneration Committee Meeting was held once on 31st May, 2011.

Except for Mr. Mukul Kasliwal and Mr. C Sundershyam, all other Members attended the meeting.

Remuneration Policy

The Remuneration Committee recommends to the Board the compensation package of the Chairman and Managing Director and the Executive Director. The Committee also recommends the compensation payable to the non-executive Directors in accordance with the provisions contained in the Companies Act, 1956. The remuneration of the Chairman and Managing Director and the Executive Director, is subject to approval of the Board and the shareholders at the General Meetings, and is within the ceilings laid down by Schedule XIII of the Companies Act, 1956. The non-executive Directors are paid sitting fees for attending the meetings of the Board of Directors and Committees within the ceiling prescribed by the Companies Act, 1956.

IV. Asset Sale Committee

Although not mandatory under clause 49 of the listing agreement, the Company has also an Asset Sale Committee comprising of Mrs. N B Pasta as Chairperson, Mrs. N H Khatau, Mr. Mukul Kasliwal and Mr. Rajeev Saxena as members. During the period under review, no Asset Sale Committee meeting was held.

MANAGEMENT

Management Discussion and Analysis

The Annual Report contains a chapter on Management Discussion and Analysis.

Disclosures

Disclosures on 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 interests of the Company at large.

The Board has received disclosures from Directors and key managerial personnel relating to material financial and commercial transactions where they and / or their relatives have personal interest and have ascertained that there are no materially significant related party transactions which have potential conflict with the interests of the Company.

Attention of members is drawn to Note 34 forming part of the Balance Sheet and Profit and Loss account” for disclosures of related party transactions.

All details on the financial and commercial transactions where Directors may have a potential interest are provided to the Board. The interested Directors neither participate in the discussion nor vote on such matters.

Disclosure of accounting treatment in preparation of financial statements

The Company has followed the Guidelines and Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

Details of non-compliance by the Company

The Company has complied with all the requirements of regulatory authorities. No penalty/strictures were imposed on the company by the Stock Exchange or SEBI or any statutory authority on any matter related to the capital market during the last three years.

Code for prevention of insider-trading practices

Pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 1992, a comprehensive code for prevention of Insider Trading is in place. The objective of the Code is to prevent purchase and/or sale of shares of the Company by an insider on the basis of unpublished price sensitive information. Under this Code, Directors and designated employees are prohibited from dealing in the Company's shares during the prohibited period. To deal in securities beyond specified limit, permission of Compliance Officer is mandated. All the designated employees are also required to disclose related information periodically as defined in the Code.

CEO/ CFO Certification

The Chairman and Managing Director and Chief Financial Officer and Company Secretary certification of the financial statements for the year is enclosed at the end of the report.

SHAREHOLDERS

Re-appointment of Directors

At the ensuing Annual General Meeting, Mrs. Nayna B Pasta, Mr. Mukul Kasliwal and Mr. Abhijit Datta retire by rotation and being eligible, offer themselves for re-appointment. Mr. Rohan H. Khatau who was appointed as an additional director during the year and being eligible offers himself for re-appointment.

Mrs. Nayna B Pasta has over 30 years of experience in the field of finance & taxation.

Mr. Mukul Kasliwal has 21 years of experience in Corporate business / finance.

Mr. Abhijit Datta has a vast experience of over 47 years in Banking and Finance.

Mr. Rohan H. Khatau has 2 years experience in manufacturing and marketing of cables and its allied products.

Means of communication with shareholders

Quarterly, half year and annual results are published in daily newspaper such as Free Press Journal (English) and Nav Shakti (Marathi).

The Company also informs The Bombay Stock Exchange in a prompt manner, all price sensitive or such other matters which in its opinion, are material and relevant for the shareholders and subsequently issues a press release on the said matters. These results are also available on the website of the Company www.cablecorporation.com.

General Body Meetings

Table 8: Details of General Meetings

Financial Year	Category*	Date	Time
2008-09	AGM	22 nd September, 2009	11.00 a.m.
2009-10	Court Convened meeting	28 th April, 2009	10.00 a.m.
	EGM	17 th June, 2009	10.00 a.m.
	AGM	12 TH August, 2010	11.00 a.m.
2010-11	AGM	10 th August, 2011	10.30 a.m.

* AGM: Annual General Meeting; EGM: Extraordinary General Meeting

Annual General Meeting for the financial year 2008-2009 was held at Sheth Goculdas Tejpal Auditorium, Tejpal Road, August Kranti Marg, Mumbai – 400 007

Annual General Meetings for the financial years 2009-2010 and 2010-11 and Extraordinary General Meeting were held at M C Ghia Hall, Kalaghoda, Mumbai-400001

The following special resolutions were taken up in the last three AGMs/EGMs, and were passed with requisite majority.

Court Convened meeting held on 28th April, 2009

- Scheme of amalgamation for Merger of Prithvi Consultancy Services Pvt Ltd with the Company.

EGM held on 17th June, 2009

- Increase in Authorised Capital

AGM held on 22nd September, 2009

- Alteration of Articles of Association of the Company

AGM held on 12th August, 2010

- Re-appointment of Mr. H A Khatau as Chairman and Managing Director of the Company
- Appointment of Mr. Rohan H Khatau, relative of a Director to hold office or place of profit.

AGM held on 10th August, 2011

- Alteration of Articles of Association of the Company

Postal ballot

No resolutions were passed by postal ballot during the year under review.

Compliance

Mandatory requirements

The Company is fully compliant with the applicable mandatory requirements of the revised Clause 49.

Adoption of non-mandatory requirements

Although it is not mandatory, the Board of the Company has constituted a Remuneration Committee and an Asset Sale Committee. Details of the Committee have been provided under the Section 'Remuneration Committee and Asset Sale Committee'.

ADDITIONAL SHAREHOLDERS INFORMATION

Annual General Meeting

Date : 6th July, 2012

Day : Friday

Time : 10.30 a.m.

Venue : Sheth Goculdas Tejpal Auditorium, Tejpal Road, August Kranti Marg, Mumbai 400 007.

Financial calendar (Tentative)

Financial year: April 2012 to 31 March 2013

Results for the quarter ending:

- June 30, 2012 : first week of August 2012
- September 30, 2012 : first week of November 2012
- December 31, 2012 : second week of February 2013
- Results for the year ending 31st March, 2013 : Last week of May 2013
- Annual General Meeting : August 2013

Book closure

The dates of book closure are from Wednesday the 4th day of July, 2012 to Friday the 6th day of July, 2012 inclusive of both days.

Listing

At present, the equity shares of the Company are listed on the Bombay Stock Exchange Limited (BSE).

The annual Listing fees for the year 2012-13 have been paid to BSE.

The Company has paid custodial fees for the year 2012-2013 to National Securities Depository Limited and Central Depository Services (India) Limited on the basis of number of beneficial accounts maintained by them as on 31 March 2012.

Stock Exchange code:

BSE Scrip Code : 500077

Stock Market data

High, lows and volumes of Company's shares for 2011-12 at BSE

The high and low values and the volumes of the Company's shares on the Bombay Stock Exchange is as under:

Month	BSE		
	High (Rs.)	Low (Rs.)	Volume
April 2011	34.05	23.50	45,19,274
May 2011	34.00	27.85	1,90,591
June 2011	30.00	27.00	1,91,530
July 2011	34.65	27.20	22,87,159
August 2011	31.80	22.10	15,71,505
September 2011	25.50	22.85	63,197
October 2011	28.55	21.40	1,07,768
November 2011	28.00	20.00	1,45,290
December 2011	21.95	18.55	39,32,873
January 2012	23.80	19.80	43,083
February 2012	25.50	21.85	1,30,451
March 2012	25.90	21.00	2,03,341

Distribution of shareholding

The distribution of the shareholding of the equity shares of the company by size and by ownership class as on 31 March 2012.

Total Nominal Value of Equity Shares (Rs.)	No. of shareholders	% of total	Share Value (Rs.)	% of shareholding
1 - 5000	10308	88.2383	16522980	2.1379
5001 - 10000	713	6.1034	6091810	0.7882
10001 - 20000	315	2.6965	4932000	0.6381
20001 - 30000	98	0.8389	2553640	0.3304
30001 - 40000	44	0.3766	1566970	0.2028
40001 - 50000	60	0.5136	2855010	0.3694
50001 - 100000	69	0.5907	5119760	0.6624
100001 and above	75	0.6420	733223330	94.8708
TOTAL	11682	100.0000	772865500	100.0000

Shareholding pattern by ownership as on 31 March 2012

Category	No. of Equity Shares of Rs.10/- each	% of Shareholding
Promoters, Directors & Relatives	58508912	75.7045
Mutual Funds	47600	0.0616
Banks, Financial Institutions & Insurance Cos.	1634800	2.1152
NRIs / FIIs / Foreign Cos.	10927732	14.1397
Corporate Bodies	1577536	2.0412
Indian Public	4589970	5.9378
Total	77286550	100.0000

Dematerialization of shares

As at 31 March 2012, 7,64,64,816 Equity Shares representing 98.94 % of the total equity capital of the company were held in dematerialized form.

The ISIN number of equity shares is INE 475A01016 on both the depositories i.e. NSDL and CDSL.

Address for correspondence :

Registered Office : Laxmi Building, 4th floor, 6 Shoorji Vallabhdas Marg, Ballard Estate, Mumbai 400 001

Compliance Officer:

Mr. Surendra Khemka, Chief Financial Officer and Company Secretary is the Compliance Officer

Registrar and Transfer Agents

Shareholders may contact the Company's Registrar and Share Transfer Agents at the following address:

Link Intime India Pvt. Ltd.

C-13, Pannalal Silk Mills Compound,

L.B.S Marg, Bhandup (West),

Mumbai 400 078.

Tel. No. 25946970

Fax No. 25946969

Email: rnt.helpdesk@linkintime.co.in

Company Website: <http://www.cablecorporation.com>

Email : jkhatau@cablecorporation.com

Share Transfer System

All share transfers received are processed by the Registrar & Transfer Agents and are approved by the Shareholders Grievances and Transfer Committee.

Unclaimed Shares Suspense Account:

As per the amendment in the Clause 5A of the Equity Listing Agreement vide SEBI circular no. CIR/CFD/DIL/10/2010 dated 16th December, 2010, every Company is required to dematerialise the shares lying unclaimed with the Company and / or RTA of the Company since the date of Public Issue or any other issue due to insufficient / incorrect information or any other reason. Accordingly, in compliance with the said circular, the Company is in the process of sending reminders in respect of unclaimed shares to the concerned shareholders at the addresses available on the Company's record in coordination with the Company's RTA viz. M/s. Link Intime India Private Limited. After sending three reminders the unclaimed shares shall be held by the Company in dematerialised form in "Unclaimed Shares Suspense Account", on behalf of the allottees. As on 31st March, 2012 there are 5550 equity shares lying unclaimed with the Company / RTA.

Plant Locations

1. Plot No.F-3/1 , MIDC, Sinnar Industrial Area, Malegaon, Dist. Nashik 422 103
2. Plot No.F-3/2, MIDC, Sinnar Industrial Area, Malegaon, Dist. Nashik 422 103

For and on Behalf of the Board

Place : Mumbai

Dated : 30th May, 2012

**H A KHATAU
CHAIRMAN & MANAGING DIRECTOR**