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Finolex
Cables Limited
AN IS/ISO 9001 COMPANY

FCL:SEC:AR20-21: 112
6th September, 2021

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

Dear Sirs,

We enclose soft copy of the Annual Report for the financial year 2020-21 together with Notice and Explanatory Statement thereto in respect of the Fifty-Third Annual General Meeting (AGM) of the Company (included therein at Page No.212), which is scheduled to be held on Wednesday, 29th September, 2021 at 11.30 a.m. through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") from the Registered Office of the Company at 26-27, Mumba-Pune Road, Pimpri, Pune - 411018, to transact the business as set out in the Notice.

Kindly acknowledge receipt.

Thanking you,

Yours faithfully
For FINOLEX CABLES LIMITED

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

Encl : As above.

Finolex Cables Limited

Exceptional Adversity
OUTSTANDING CHARACTER

Annual Report
2020-21

What's Inside...

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Forward-looking Statements

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events. The Company has sourced the industry information from the publicly available resources and has not verified those information independently.

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

"On the other side of a storm is the strength that comes from having navigated through it. Raise your sail and begin."

- Gregory S. Williams

Challenges such as those presented by the pandemic are beyond our control. What is in our control is our response to such challenges. The beliefs we hold, the values we profess, the attributes that define us and the way we conduct ourselves became even more important in the face of the unprecedented challenges brought about by the COVID-19 pandemic. Yes, the adversity was exceptional. But our hardwired corporate character not only helped us successfully navigate a year that was like no other in recent history, but also enabled us to emerge stronger through the crisis.

We have demonstrated agility and resilience through these tough times by enhancing our focus on cost, process efficiency, and new product development. At the same time, we have stayed the course for expanding our retail footprint and for our capex plans for our electron beam facility, backward integration projects, and conduit plant. In doing so, we are ensuring that Finolex Cables emerges from the crisis not only stronger, but ready to seize the opportunities presented by the changing world.

Finolex Facts and Figures

Established in 1958, Finolex Cables is India's largest and prominent manufacturer of electrical and telecommunication cables. We have lately expanded into the fast-moving electrical goods (FMEG) segment with the goal of becoming a complete electrical products company. Our manufacturing excellence, innovative capabilities, and technology competence form the cornerstone of our operations. We adhere to the highest standards of integrity and corporate governance, and have forged strong relationship with institutional and retail customers over the years.

Finolex Cables is a debt-free Company and has a turnover exceeding Rs. 2,845.1 crores, 5 manufacturing sites and 1,649 employees.

Our character has always been at the core of our success

In our over five-decade long glorious journey, we have created countless milestones and redefined prospects through our persistent focus, innovation, and agility. Be it in our preliminary years when our originators had to valiant the unbridled times of India's partition; in the 1950s when we initiated the concept of using stranded conductors for the manufacture of electrical wires; in the late 1980s when we became the first private sector company in India to manufacture Jelly Filled Telephone Cables (JFTC), or in the 1990s when we expanded our portfolio to overwhelm the immense impediment to our JFTC business due to the initiation of mobile phones; we have passed every storm and emerged stronger. Our past is intriguing and encouraging. Our future pledges to build on this rich legacy and drive stronger prospects amidst the challenges.

Industry-firsts

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

Our character enabled us to stay resilient in FY 2021

5
Manufacturing sites

28
Depots

5,000
Channel Partners

90,000
Retailers

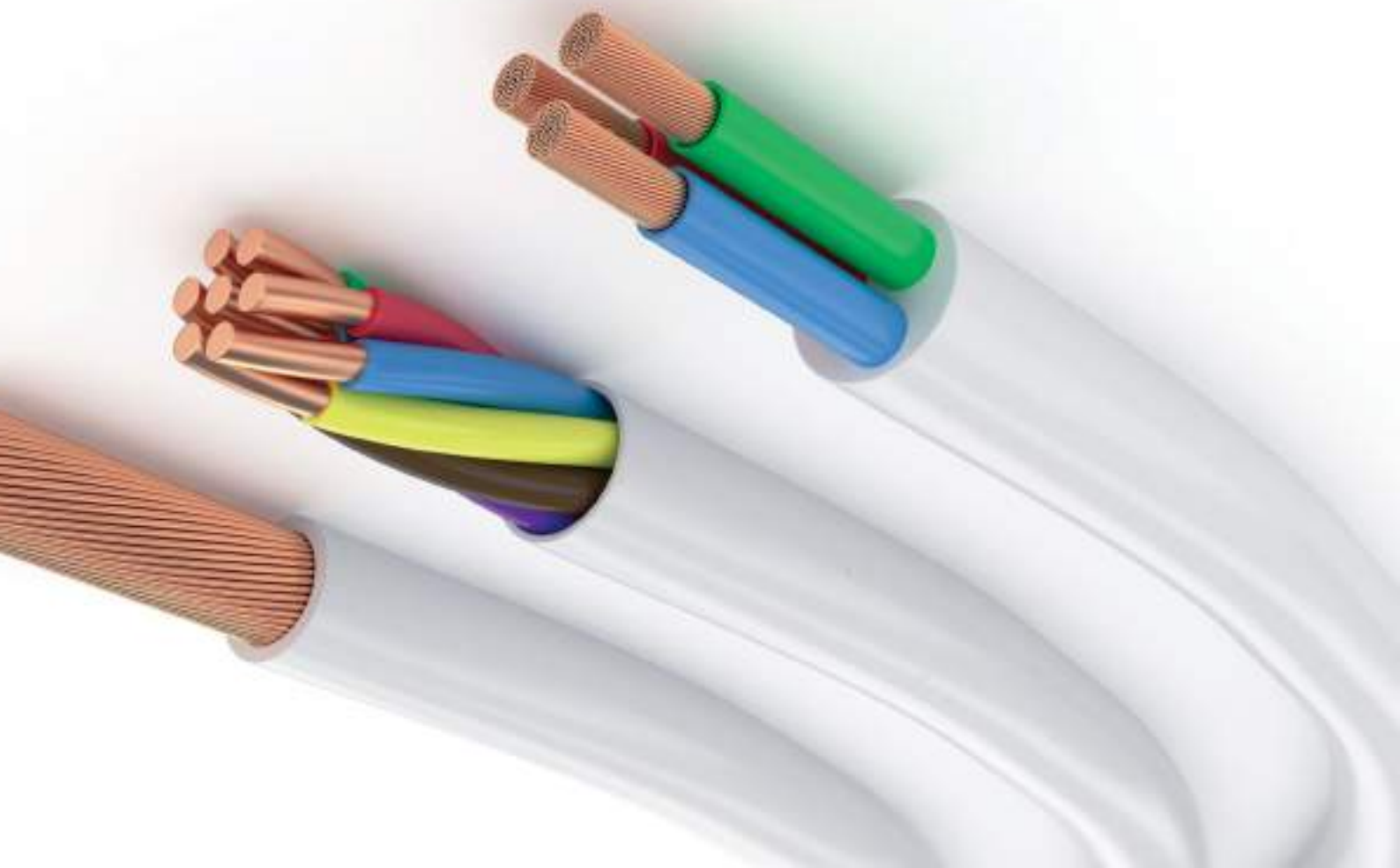
1,649
Employees

22%
Market share in the organised wires industry

Rs. 2,845.1 Crores
Revenue

Rs. 431.8 Crores
EBITDA

Rs. 282.9 Crores
PAT



Finolex Facts and Figures

Our differentiating strengths

Robust Financials
Our robust financial stance reinforces our capacity in strengthening our business and establishing long-term value for all our stakeholders.

Manufacturing Excellence
We have five contemporary, well-equipped, multi-location manufacturing sites spread across planned locations to cater to customers pan-India, while diversifying and de-risking our operations.

Comprehensive Product Portfolio
We have a comprehensive suite of products comprising of wires, cables, lighting solutions, electrical accessories, switchgear, fans, and water heaters to support varied applications and end-users.

Technology Associations
We have aligned with worldwide leaders to entrench the modern technology in our products and processes, enabling us to bring dynamic solutions to the Indian market.

Backward Integration
We manufacture compounds, copper rods, glass fibers and many other raw materials in-house, offering us extensive control over quality and empowering us to enhance value of our products.

Powerful Brand Recall
Our brand has secured the trust of our customers through its dedication to quality, safety and reliability, leading to the Company's sustained growth.

Extensive Distribution Network
We are diving deeper into the market by expanding our distribution system, including a distinct network for our consumer electrical products.

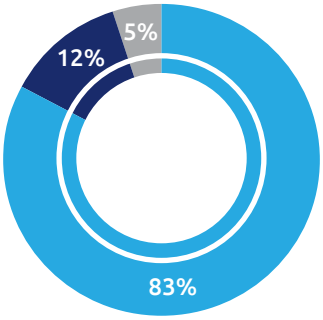
Our manufacturing footprint

Throughout our magnificent journey, we have strategically augmented our manufacturing competencies and invested in backward integration. Our five state-of-the-art, automated manufacturing sites give us a locational advantage in ensuring uninterrupted service and delivering of highest quality products to our customers. Our manufacturing prowess has facilitated us to cater to the ever-evolving demands of our customers.

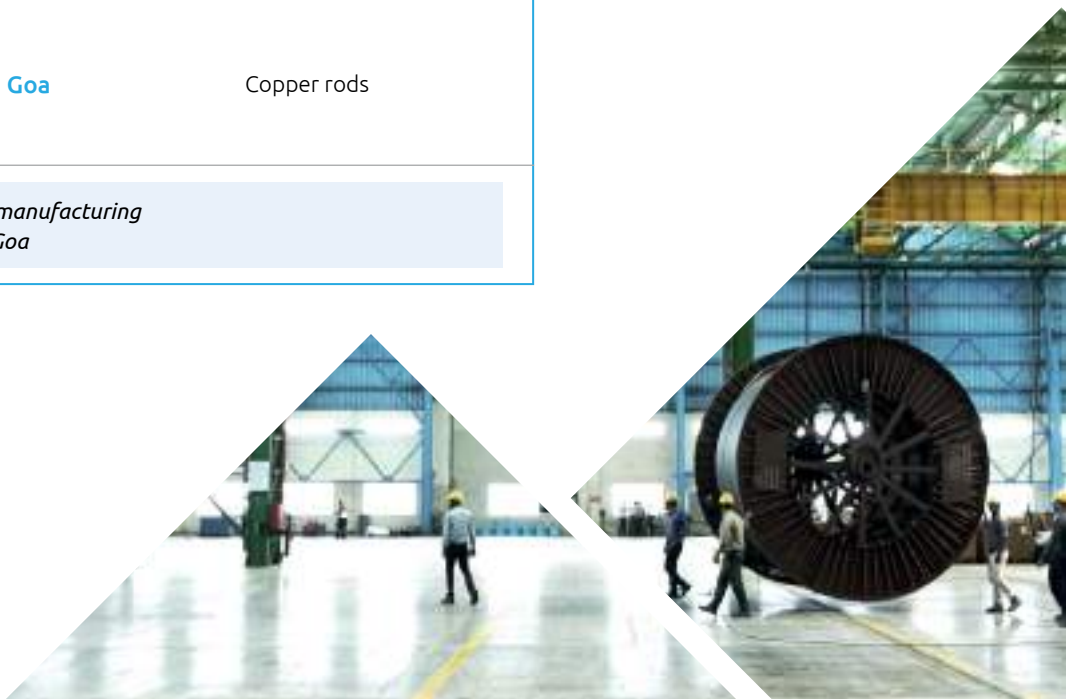
	Plant	Product Focus
	Roorkee, Uttarakhand	Electrical wires for construction; wires for automobile; switches; switchgear and agricultural applications
	Urse, Pune, Maharashtra	All electrical wires, optic fiber, optic fiber cables, all communication and power cables
	Pimpri, Pune, Maharashtra	Telephone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

Capacity utilization levels at all manufacturing facilities at 75% except Ponda, Goa

Revenue break-up of our business verticals (as on FY 2021)



- Electrical wires and cables
- Communication cables
- Electrical consumer products



Chairman's Message

Dear Shareholders,

Trust that you all are safe and in good health. The COVID-19 pandemic has ravaged the foundations of world economy and is forcing an unprecedented social, economic, and business response. It has fundamentally changed the way we live, work, and has made work from home, social distancing, and increased digitization and technology adoption as the new normal.

The Indian economy has been severely impacted on account of the pandemic and contraction of economic activity following the nationwide lockdown. As per the Central Statistics Office (CSO), the economy contracted by 7.3% in FY 2020-21, as compared to 4% economic growth recorded in the previous fiscal. Recent economic indications and data suggest that the economy is headed for a gradual revival with 1.6% growth recorded in Q4 of the fiscal year.

Favourable government reforms, strong thrust on infrastructure development, recovery in consumer sentiments following successful vaccination drives contributed to the buoyancy in economic activity. However, uncertainty about the resurgence of coronavirus infections and subsequent restrictions may threaten the economic recovery.

At Finolex Cables, we have stayed focused and demonstrated agility and resilience through these uncertain times by enhancing our focus on cost, process efficiency, and new product development. We have taken judicious actions to help ensure our continued competitiveness, financial resilience, and business continuity in the new normal. We are adopting increased digitization and automation across our operations to enhance operational

efficiencies, while also controlling costs where possible. At the same time, for ensuring safety of our employees, business partners, and customers, utmost precaution and highest safety standards are being followed across all our locations.

Our capex plan of Rs. 200 crores over the next 18-20 months remains unabated. The Company's conduit plan at Goa was commissioned during the year and has also started clocking revenues during the last quarter. The construction of electron beam cured cables plant has faced delays due to the pandemic and international travel restrictions on experts. The Company expects the work to commence once the travel restrictions are relaxed. This plant at Pune for manufacture of cables with deployment of electron beam accelerators will serve the renewable energy sector as well as construction and automobile segments due to their ability to withstand higher temperature. Further, we are planning to set up a new line to make tinned copper and foray into instrumentation cables. While the nationwide lockdown and shortage of labour had impacted our project timelines, we are working towards restoring speed with the easing of lockdowns and resumption of economic activities.

One of our most significant achievements this year has been the launch of a new range of decorative fans and lighting products to strengthen our FMEG portfolio. As a consumer-centric brand, we have always kept innovation at the forefront. We have observed an increase in demand for stylish designs and innovative technologies by households and are confident that our newly introduced products will help us further strengthen our market share. With our increased reach in tier II and III cities, we expect to get encouraging results. The investments made by the Company will be a source of competitive advantage, enabling us to capitalise on the unfolding opportunities and give the required scale and strength to the business.

Our well-spread distribution network has been our driving force in reaching out to different parts of the country. We have set an ambitious target of growing our distribution network to 1,50,000 retail touchpoints by connecting with 500 distributors each reaching out to around 300 retailers.

While we could achieve taking up our retail touchpoints to 90,000 retailers this year, we are continuing with renewed vigour towards the goal of 1,50,000. Further, we are bringing our dealers on a common software platform to get better visibility of secondary data. By deepening our reach and leveraging technology solutions, we are upbeat about growing the sales of our consumer products. Our continued investments in brand building and channel partner engagement will help us augment our market reach and connect.

Government's continued strong focus on infrastructure development, rural electrification and affordable housing also augur well for the wires and cables industry. Moreover, rapidly growing urbanization, increasing disposable incomes and changing preferences are driving the adoption of consumer electrical goods among Indian households. The COVID-19 pandemic has also fuelled the demand for electrical appliances that can help consumers and their families to live healthy and stay safe. Further, with the work-from-home trend expected to continue, consumers want smart electrical products that can make their life easier and productive. We are proactively investing in capacity and network expansion and product innovation to cater to the evolving market trends and capitalise on the thriving opportunities.

I would like to thank all our stakeholders – our customers, channel partners, business associates, suppliers, employees, and our community. We have grown and become a successful entity with your persistent confidence and support. While the pandemic has created near-term hiccups, we are well-placed to emerge stronger and deliver sustained value in the years ahead with our dynamic principles and corporate character.

Warm Regards,

D.K. Chhabria
Executive Chairman

Staying Focused

Defining character in slogans and statements is the easy part. What makes character come alive are the actions taken and the choices made, especially in times of adversity. At Finolex, we have always placed precedence on staying focused on ensuring safety of our teams, growing our market reach, enhancing our capabilities, and diversifying revenues. Our meaningful efforts will enable us to stay resilient through the challenges and emerge stronger than before.

Ensuring safety

In the light of the ongoing pandemic, we undertook a number of stringent measures and introduced guidelines in the interest of employee health and safety. Our COVID-19 preparedness strategy has been formed to monitor situation daily and initiate appropriate actions. Separate entry and exit points; regular thermal screening and temperature checks of employees and visitors are among the key measures enforced. Our employees and contractual staff are also required to submit an undertaking on their health and travel details, if any.

Wearing of masks and gloves has been made compulsory at all our sites, including while travelling on Company vehicles. Further, we are carrying out regular sanitization and fumigation of common touchpoints. To prevent the spread of the virus, we have replaced contact-based biometric systems with face-recognition method for marking attendance.

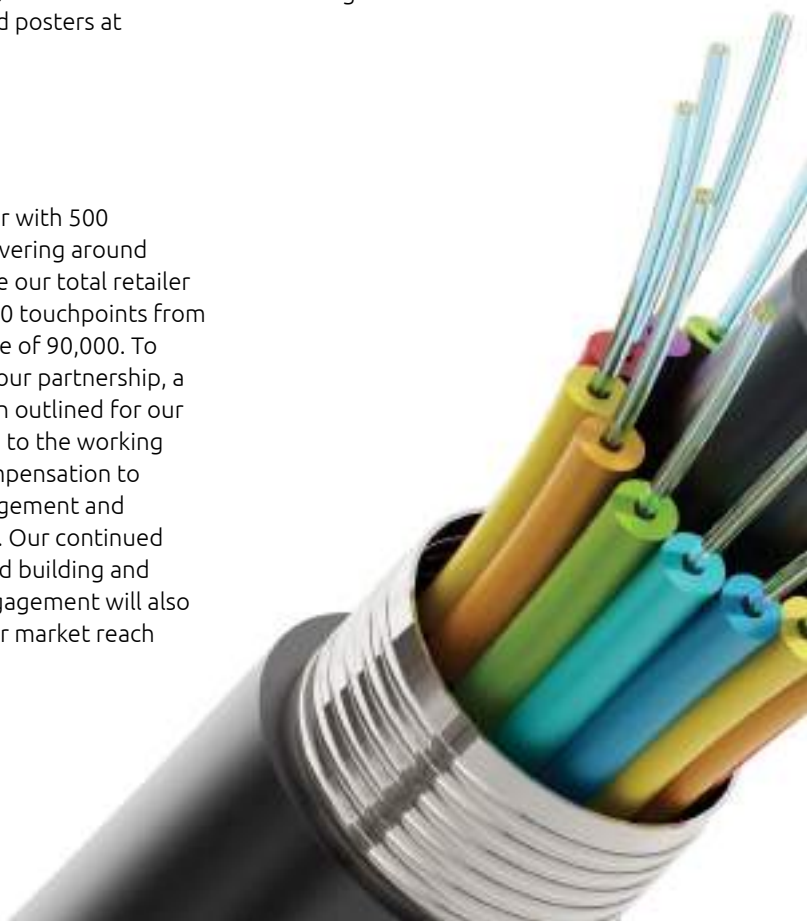
Awareness on COVID-19 and the importance of hygiene and physical distancing are being reinforced through training and posters at all locations. In line with our strict protection measures to deal with the pandemic, we are practising social distancing by modifying our behaviour. We also established 'work from home' policy for our entire workforce as a pre-emptive measure even before formalization of the same by the Government. We launched various initiatives and training programmes to facilitate virtual engagement of workforce with an intent to enhance their physical, mental and overall well-being.

Growing our distribution reach

The Company's vast distribution network has been its driving force for reaching out to different parts of the country. We have over 5,000 channel partners and 90,000 retailer touchpoints and these are served through 28 depots across India. Our well-established distribution network is also being leveraged to enhance the reach and accessibility of our electrical consumer products. At the same time, we are also building a separate network for every product line.

We have adopted a robust two-tier distribution platform, wherein distributors have clearly defined territories to reach out to retailers.

Our aim is to partner with 500 distributors each covering around 300 retailers, to take our total retailer coverage to 1,50,000 touchpoints from the current coverage of 90,000. To further strengthen our partnership, a clear policy has been outlined for our distributors relating to the working of the network, compensation to be paid, price management and flow of information. Our continued investments in brand building and channel partner engagement will also help us augment our market reach and connect.



Enhancing our capabilities

Our consistent growth over the years has been the outcome of our well-charted strategy of enhancing our manufacturing capabilities and investing in backward integration. Our diversified manufacturing presence provide us a locational advantage in reaching out pan-India and meeting the changing demands. Our capex plan of Rs. 200 crores over the next 18-20 months remains unabated.

During the year, we commissioned our conduit plant at Goa, which started generating revenues during the last quarter of FY 2020-21. Besides, the international travel restrictions due to the pandemic created hindrances in the construction of electron beam cured cables plant. However, we expect the work to commence post easing of travel restrictions. The plant will be deploying electron beam accelerators. Besides serving the renewable energy sector, these electron-beam cured cables are also used in the construction and automobile segments due to their ability to withstand higher temperature, opening up more growth opportunities. We are also planning to set up a new line to make tinned copper and foray into instrumentation cables, which will also strengthen our backward integration. Though the lockdowns and travel restrictions have impacted our project timelines, we are working towards restoring construction speed following the gradual recovery in the economic activities.

Rs.200 Crores

Planned capex over the next two years to enhance manufacturing capabilities

Diversifying our revenue

Our comprehensive portfolio comprising wires, cables, lighting solutions, electrical accessories, switchgear, fans, and water heaters serves diverse applications and end-users. More than 83% of our revenue is generated from electrical wires and cables, while communication cables and electrical appliances products constitute 12% and 5% of the revenue, respectively. In line with our focus on growing our FMEG range of products, we intend to de-risk our business and generate higher revenues from consumer electrical products. Diversification of product mix will also insulate us from downturn in any particular business segment.

Driving Innovation

As a customer-centric brand, we, at Finolex Cables, have always kept innovation at the forefront. Our products and innovative technologies and processes have kept us in good stead and earned us a strong brand recall. By way of continuous innovation, we endeavour to introduce a gamut of new products across segments to give the required scale and strength to our business.

Our legacy in driving innovation

Our portfolio diversification strategy has enabled us to establish ourselves as a strong B2C player, in addition to being a leading wires and cables manufacturer. Our consumer electrical products have gained strong acceptance for their style and quality and are steadily gaining market share. Over the past few years, we have launched a wide range of electrical products by blending contemporary designs with best-in-class quality. Our products have consistently enhanced the aesthetics of homes and offices while delivering on performance.

New product launches

Launch of decorative fans

Since our foray into the fans segment, we have successfully introduced an exclusive range of ceiling, table, wall, industrial heavy-duty exhaust, and multi-purpose fans, enabling the Company to exponentially grow its fan business over the year. The range includes 'premium', 'decorative' and 'smart' fans that are known for their reliability, impressive air-delivery along with innovative designs like wide-tip blades, dust-free features, etc. Over the last few months, we have set up a robust distribution network for our fans business, resulting in strong growth of this division.

To further strengthen our FMEG portfolio, we announced the launch of a new range of decorative fans and lighting products. These exclusive fans have been introduced to time the summer season. The stylish range includes FLEENOR, GLADIATOR NXG, and ALESSANDRA NXG ceiling fans. Their attractive looks, along with aerodynamic design makes them a visual treat. Powered by a powerful copper motor, these hi-speed fans deliver air to every corner of the room. We have also introduced BLOWIN Table, Pedestal fans & SMASHER Exhaust fans. These TPW fans are known for their reliability, impressive air-delivery, smooth running, and jerk-free oscillation.

Anti-bacteria fans

In recent times, we have seen an increased awareness on health and hygiene among our customers. These fans are coated with a paint containing low toxicity biocides. During the year, we introduced Anti Bacteria Anti Dust fans to protect consumers from harmful bacteria and give germ protection against microbiological growth, by repelling microbes or killing them when they come in close proximity to the surface.

Launch of Electrical Conduits

Another significant product introduction this year is the addition of conduit and fittings to our repertoire. These conduits are manufactured at our state-of-the-art Goa plant to meet the most stringent Indian standards. These are made of high impact resistance materials which make them safe to use across varied environmental conditions. Along with conduits, we offer commonly used fittings like junction boxes, bends, inspection bends, etc.

At Finolex Cables, strengthening our relationship with customers, builders, and channel partners is integral to our character. Aligned with this ethos, we continue to prioritise new product development to bring better value to them. The conduit launch demonstrates our continued commitment towards our stakeholders. It also provides us with the opportunity to deepen customer engagement and expand our wallet share. We recognize the Government's thrust on infrastructure development and projects in areas of power and affordable housing will drive overall market growth for conduits.

Launch of innovative LED products

We have also added Inverter LED Bulbs and LED Concealed Down Lights to our portfolio. The Inverter LED bulbs are designed to switch on automatically in the absence of power. These bulbs operate with 100 lumens per watt output during power supply and work at a reduced lumen levels of 40-50% at times of no electricity. Our Inverter LED

provide a smart solution for rural areas and are particularly useful at urban centres with higher power outages.
The newly introduced LED Concealed Down Lights use 'Eye Protect' – Flicker reduction technology that lessens users risk from harmful, invisible flickering of light. It has been launched basis international study results that have shown that prolonged exposure to extreme flickering emitted by high flicker LED lights can lead to negative health impact such as headaches, migraine, eye strain, blurred vision or fatigue, particularly for photosensitive individuals.

We are confident that our newer product introductions will enable us to enhance our presence across the country and will help customers purchase our consumer electrical products at the nearest electrical outlet.

Driving Innovation

Our product portfolio

Wires & Cables

Light Duty Cables

FR PVC Insulated Industrial Cables

FLAMEGARD - Flame Retardant Low Smoke (FR-LSH) Insulated Industrial Cables

3 Core Flat Cables

Communication Cables

CCTV Cable

RG6 Coaxial Cable

CAT6 LAN Cable

Optic Fiber Cable

Speaker Cable

Telephone Cable

Conduits & Fittings

Conduit

Inspection Bend

Coupler

Circular Box - Tee

Power Cables

Power & Control Cables

Lighting Products

LED Bulb

LED PC Panel Square

LED Street Light

COB Downlight

2W Cabinet Light - Round

Flicker Control Concealed Light

LED Spot Light

Track Light

Electrical Products

Fans

Boomerang NS Pedestal Fan

Boomerang NS Table Fan

Boomerang NS Wall Fan

Fleenor Ceiling Fan

Finfresh - Smasher

Cupid Anti-bacteria Anti-Dust

Flyneto Ceiling Fan

Water Heaters

Alessandro Instant Water Heater & Immersion Rods

Electrical Switches

Finolex Switch

Finolex Switch

Concealed Mounting Box

Finolex Switch

Mounting Plate

Switchgear

Phase Selector DB

FP MCB

Single door SPN DB

DP MCB Isolater

SP MCB

FP MCB

4 Pole RCCB

Accessories

Ding Dong Bell Selfie

3 Pin Multiplug

Fancy Batten Holder

Spike Guard

PVC Insulation Tape

32A Surface DP

Extension Board

Demonstrating Agility

By implementing operational efficienices, adopting digital technologies, and capturing emerging opportunities, we continue to demonstrate agility and resilience in our business operations to sail through the tough times and drive growth momentum.

Capturing new opportunities

The fiber optic cable market has been growing rapidly, largely due to increased demand for Fiber to the Home (FTTH). The COVID-19 pandemic has only accelerated this trend. With more people continuing to work from home a year into the pandemic, there will be seen a growing demand for cables around FTTH operations. FTTH provides not only speed but also reliability, which is crucial in maintaining a productive work-from-home environment.

We are confident of capturing the emerging opportunities by leveraging our technical expertise, operational efficiencies, and capacity expansion.

Reaching out to channel partners

To deepen our connect with our channel partners, we pursue attractive marketing strategies and organise specialized programmes. Keeping into account the COVID-19 situation through the year and the need to maintain social distancing, E-meets were held during the year. Inverter LED Bulb and Cupid Anti-Bacteria Fan were among the products that were launched through virtual events. Engagement with channel partners continued unabated as we swiftly adopted digital solutions. In addition to online engagement, as and when possible, we also connected in-person with our channel partners. In this regard, Nukkad meets were held to educate and engage with electrician partners.

Relevant products and brand promotion

While expanding our product portfolio, we also give attention to introducing products that resonate with the requirements of our channel partners. To gain traction among retailers, we especially launched fast-moving products like PVC Insulation Tape, Immersion Rods etc. We are also increasingly investing in below the line (BTL) initiatives with shop signages, display units, in-shop branding and POS material. These efforts have helped to increase awareness and consumers connect with the brand, thereby driving faster sales realizations at the retailer end.

Launching digital apps for better customer experience

To make the buying process seamless and convenient for our customers, we launched two apps – Finolex Smart Wiz and Finolex Cable Calc.

Finolex Smart Wiz is an augmented reality app that helps customers superimpose fans, water heaters, switches and lighting product pictures into their home/office environment by creating a composite view. This way they can check if the products match their house/bathroom décor and then make their selection.

Finolex Cable Calc app is designed to help customers and our electrician partners calculate the cable and switchgear requirements of a project effectively. The app recommends the gauge of the wires and cables that should be used in a project based on the electric load that is keyed into the app by the user along with other relevant details. With the app in their hands, cumbersome calculations are made easy to work out.

Embracing emerging shopping platforms

At Finolex, we recognize that there is a discernible trend towards E-commerce, E-shopping, E-entertaining. This shift towards digitization is an opportunity for us to reach out to a wider audience. We have taken initial steps in the E-commerce field and have launched some of our products on Amazon. We have also set up a dedicated Finolex E-store to meet the needs of today's generation. Seeing the encouraging response for our wires, fans and water heaters, we are actively exploring options to make our complete product range available on leading e-commerce platforms.

Rapid transition to remote work

With utmost consideration to our employees' safety and wellbeing, we established 'work from home' policy for our entire workforce as a pre-emptive measure. Our internal IT team played an important role during these unprecedented times by providing a secure and stable network infrastructure to all employees, thereby ensuring delivery of work without disruptions. In addition, we launched various initiatives to facilitate virtual engagement of workforce with an intent to enhance their physical, mental and overall well-being. Our in-house experts delivered online training sessions on various topics to enhance our employees' capabilities.

Strengthening customer connect

Over the past few years, we have consistently grown our reach and connect through aggressive promotion campaigns, branding and marketing activities, and sponsorships. We also undertake various above the line and below the line advertisement and promotion activities to increase our customer connect. Seminars, architect meets, dealer meets, direct mailers to institutional customers, exhibitions and one-to-one interactions are among the many ways in which we have been deepening our engagement. Our brand communication strategies encompass digital and social media channels to ensure marketing effectiveness. During the year, in view of the pandemic situation, we intensified our digital marketing and social media campaigns to reach out to our target audiences and deliver a differentiated experience.

Seeing Beyond the Adversity

The COVID-19 adversity will eventually pass. While there are challenges today due to the spread of the pandemic, the compelling opportunities in the medium and long-term make us look to the future with optimism. Our enduring character will enable us to capitalise on the unfolding opportunities.

Compelling Opportunities

The government has announced Rs. 102 lakh crores (USD 1.4 trillion) National Infrastructure Pipeline to spend in the infrastructure sector over a five-year period, aligned with the vision to make India a USD 5 trillion economy by FY 2024-25. Moreover, aided by a slew of recent policy reforms, construction spending is also expected to pick up in sectors such as roads, railways, urban infrastructure – including metros and airports in major cities, and renewable energy, leading to a higher demand for cables and wires.

The retail demand for cables and wires is influenced by infrastructure development, housing construction, power distribution and transmission. Rural electrification projects under Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY); Power for All; upgradation plans of existing sub-station infrastructure under Integrated Power Development Scheme (IPDS); robust and reliable inter and intra-state transmission systems to support the continued addition of generation capacity; investments in railway electrification, thrust on metro rail projects in major cities; and a strong push for the renewable energy sector augur well for the wires and cables industry in India. Government's strong thrust on 'Make in India' and 'Atmanirbhar Bharat Abhiyan' will provide a huge impetus to local manufacturing and minimise imports.

As remote working and work from home becomes the new normal, demand for home appliances, health and lifestyle products/equipment is expected to increase. Further, rapid urbanization, expanding middle-class, increasing incomes, and rising consumer awareness will augment the demand for our consumer electrical products.

The Way Ahead

With our established capabilities, we believe that we are well-positioned to serve the growing cabling needs of the nation. Our extensive offerings in cables and wires segment suit diverse domestic and industrial requirements. Our foray into consumer electricals segment is in line with our aim of becoming a complete electrical products company and develop our B2C business in order to address the growing customer aspirations. We remain steadfast towards continuous product innovation, capacity and network expansion, and enhancing digitzation and automation across all facets of business. We will also continue to deepen our engagement with our channel partners and influencers to serve our customers effectively and efficiently.

Guided on our Journey by Distinguished Leadership

Our Chairman, Mr. Deepak K Chhabria, was recognized by The Economic Times as among 'The Most Promising Business Leaders of Asia 2020-21'. The award recognises him as a forward-thinking, innovative leader who converts today's challenges into opportunities. It reaffirms his creative thinking capabilities and inherent expertise to steer the business to greater glory.

True Character is in Helping Others Succeed

Giving back to the society is a core aspect of our corporate values. We endeavour to foster positive impact in the communities in which we operate through our purposeful CSR activities. By demonstrating a commitment to social responsibility, we not only safeguard the veracity of our business, but ensure well-being and success of the communities as well.

Our dedication to generating value for stakeholders is seen in our participation in numerous community development projects. Education, healthcare, women empowerment, and environment protection form the most important focus areas. Through our encouraging interventions, we intend to nurture the lives of the underserved masses and build an inclusive tomorrow.

CSR activities undertaken during the year

Organized mobile hospital facilities and improved healthcare facilities in rural areas	Provided ultrasound machine to medically support economically disadvantaged patients
Contributed to medical research institutes for cancer and other medical research	Extended medical care and facilities to children suffering from H1B diabetes
Provided advanced cardiac ambulances for emergency medical needs of the underprivileged	Provided the Fellowship for Full Time PhD program of COEP, Pune, to help educate and support outstanding and needy engineers, for building the nation
Supported betterment of school and classroom infrastructure across schools in various states	Provided school buses for travel needs of school children from financially weaker backgrounds
Conducted activities for betterment of education and training across various states	Facilitated the construction of the Tehsil office (panchayat samiti) at Talegaon

Contributed through the Blind Organization of India and Missionaries of Charity, essentials, clothing, groceries and school bags for the underprivileged

Extended free medical and COVID-19 care services through multi-specialty hospitals

Held free artificial limbs distribution camps and provided medical support for physically challenged people to empower them

Provided police van and computer systems to the Police Department for their invaluable contribution to the society

Financial Summary for Ten Years

(Rs. in Crores)

	IGAAP					Ind-AS				
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
PROFIT AND LOSS ACCOUNT DATA										
Gross Revenue *	2,218.8	2,447.7	2,558.3	2,633.3	2,676.5	2,771.0	3,011.6	3,199.6	3,049.2	**2,845.1**
Materials and Manufacturing Cost (Including Excise Duty)	1,762.9	1,904.1	1,973.1	1,998.3	1,960.8	1,952.8	2,103.3	2,264.9	2,083.4	**2,051.4**
Employee cost	69.5	84.6	84.8	94.0	107.6	119.2	135.5	140.7	149.5	**137.9**
Depreciation	39.5	46.6	48.4	64.0	57.2	48.0	43.8	40.6	38.9	**39.0**
Interest and Finance charges	26.1	13.4	14.5	13.6	9.5	4.3	1.4	0.9	1.6	**0.7**
Other Expenses	211.5	228.2	193.5	200.2	205.1	227.3	223.2	220.6	274.5	**223.9**
Profit Before Tax	109.3	170.8	244.0	263.1	336.3	419.3	504.5	531.9	501.3	**392.1**
Taxation	11.1	25.5	36.3	64.5	87.6	103.4	146.3	187.8	98.8	**109.2**
Profit After Tax	98.2	145.3	207.7	198.6	248.8	315.9	358.2	344.1	402.5	**282.9**
Other Comprehensive Income	-	-	-	-	-	3.8	13.5	(24.6)	(40.6)	**33.3**
Total Comprehensive Income for the year	-	-	-	-	-	319.7	371.7	319.5	361.9	**316.2**
Dividend (Including Tax on Dividend Distribution if applicable)**	14.2	21.4	28.6	33.1	46.0	55.2	73.6	83	84.1	**84.1**
BALANCE SHEET DATA										
Share Capital	30.6	30.6	30.6	30.6	30.6	30.6	30.6	30.6	30.6	**30.6**
Reserves	769.8	893.7	1,072.8	1,234.2	1,437.0	1,846.9	2,163.3	2,409.1	2,688.0	**2,920.1**
Net Worth	800.4	924.3	1,103.4	1,264.8	1,467.6	1,877.4	2,193.9	2,439.7	2,718.6	**2,950.7**
Loan Funds	171.6	180.6	147.0	126.7	51.2	-	-	-	-	**-**
Other Liability	-	-	-	-	-	6.6	7.5	9.8	18.2	**16.2**
Deferred Tax (Net)	32.6	34.5	29.5	30.0	23.0	18.9	34.9	58.3	36.1	**34.1**
Total Liabilities	**1,004.6**	**1,139.4**	**1,279.9**	**1,421.5**	**1,541.8**	**1,903.0**	**2,236.4**	**2,507.8**	**2,772.9**	**3,001.0**
Gross Block	884.6	977.7	1,072.8	1,096.0	1,107.4	1,148.5	1,181.2	1,213.8	1,238.6	**1,293.5**
Net Block	442.4	460.7	507.4	470.4	424.8	414.9	414.2	414.6	404.5	**411.9**
Investments	237.2	324.1	403.1	494.2	619.5	895.9	1,214.8	1,381.8	725.9	**937.2**
Net Current Assets	325.0	354.6	369.4	456.9	497.5	592.2	607.4	711.4	1,642.5	**1,651.9**
Total Assets	**1,004.6**	**1,139.4**	**1,279.9**	**1,421.5**	**1,541.8**	**1,903.0**	**2,236.4**	**2,507.8**	**2,772.9**	**3,001.0**
KEY RATIOS										
Growth in Revenue (%)	0.3	10.3	4.5	2.9	1.6	3.5	8.7	6.2	(4.7)	**(6.7)**
PAT to Revenue (%)	4.4	5.9	8.1	7.5	9.3	11.5	12.3	10.0	11.9	**11.1**
Return on Net Worth (%)	12.3	15.7	18.8	15.7	16.9	16.8	16.3	14.1	14.8	**9.6**
Earnings per Share Rupees (for face value of Rs. 2/- each)	6.4	9.5	13.6	13.0	16.3	20.7	23.4	22.5	26.3	**18.5**
Asset Turnover Ratio (Revenue to Total Assets)	2.2	2.1	2.0	1.9	1.7	1.5	1.3	1.3	1.1	**0.9**
Return on Capital Employed (%)	13.4	17.1	21.3	21.9	23.6	22.6	22.6	21.3	18.1	**13.1**
Debt to Equity Ratio	0.2	0.2	0.1	0.1	0.03	-	-	-	-	**-**
Payout Ratio (incl. Dividend Distribution Tax) to PAT(%)	14.5	14.7	13.8	16.7	18.5	17.5	20.6	24.1	20.9	**29.7**

Note:* Comprises Income from Operations (including Excise Duty) and Other Income

** Dividend Distribution Tax is not applicable for FY 2019-20 & 2020-21

Corporate Information

Board of Directors

Mr. D.K. Chhabria
Executive Chairman

Mr. Sunil Upmanyu
Executive Director – Operations

Mr. Padmanabh Ramchandra Barpande
Independent Director

Mr. Avinash Shridhar Khare
Independent Director

Mrs. Firoza Fredoon Kapadia
Independent Woman Director

Mr. Prasad Marutirao Deshpande
Non-Executive Director

Bankers

Central Bank of India

Corporation Bank (Union Bank of India)

State Bank of India

ICICI Bank Ltd.

HDFC Bank Ltd.

Axis Bank Ltd.

Chief Financial Officer

Mr. Mahesh Viswanathan

Company Secretary and President (Legal)

Mr. Richard George D'Silva

Auditors

Deloitte Haskins and Sells LLP
Chartered Accountants

Cost Auditors

Joshi Apte & Associates
Cost Accountants

Secretarial Auditors

Jog Limaye & Associates
Company Secretaries

Solicitors

Juris Corp
Solicitors & Advocates

Registered Office

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

Board's Report

To the Members,

Your Board of Directors have pleasure in presenting the 53rd Annual Report and Audited Accounts of the Company for the Financial Year ended March 31, 2021.

Financial Results

The summarized financial results for the year are as under:

(Rs. in Crores)

PARTICULARS	STANDALONE		CONSOLIDATED	
	2020-21	2019-20	2020-21	2019-20
INCOME				
Revenue From Operations (Net)	**2,768.1**	2,877.3	**2,768.1**	2,877.3
Other Income	**77.0**	171.9	**77.0**	91.5
Total	**2,845.1**	**3,049.2**	**2,845.1**	**2,968.8**
EXPENDITURE				
Material Costs	**2,051.4**	2,083.4	**2,051.4**	2,083.4
Employee Benefit Expenses	**137.9**	149.5	**137.9**	149.5
Finance Costs	**0.8**	1.6	**0.8**	1.6
Depreciation, Amortization and impairment	**39.0**	38.9	**39.0**	38.9
Other Expenses	**224.0**	274.5	**208.6**	261.0
Total	**2,453.0**	**2,547.9**	**2,437.7**	**2,534.4**
Profit Before share of Net Profit of Investments accounted for using equity method and tax	392.1	501.3	**407.5**	434.4
Share of Net Profits of an Associate and Joint Ventures accounted for using equity Method		-	**223.4**	77.6
Profit Before Tax	**392.1**	**501.3**	**630.9**	**512.0**
Tax Expenses:				
Current Tax	**112.6**	123.2	**112.6**	123.2
Deferred Tax	**(3.4)**	(24.4)	**56.8**	(2.2)
Total Tax	**109.2**	98.8	**169.4**	121.0
Profit After Tax	**282.9**	**402.5**	**461.5**	**391**
Total Other Comprehensive Income / (Expenses) for the year	**33.3**	**(40.6)**	**33.5**	**(41.4)**
Total Comprehensive Income for the year	**316.2**	**361.9**	**494.9**	**349.6**

Global Economic Scenario

The year 2020 has been marked in the history of the world as the year of the Covid-19 pandemic, also marked by many as the 'Crisis of the Century'. A time when 'saving human lives' became the principal agenda of the world. The global economy which was already facing challenges with the trade situations between US-China, Britain-EU and the struggling African, Asian and Latin American economies, went into an economic depression with the widespread pandemic and the steps/measures taken world-wide to contain the virus. Complete lockdowns and subsequent partial lock-downs brought economic activities to a halt resulting in the global world output contracting by a staggering 3.3% of which approximately 4.7% contraction witnessed by the Advanced Economies against a 2.2% contraction witnessed by the Emerging Markets and Developing Economies.

Economies world-over slowly opened up after June 2020 and were boosted by various financial packages, stimuli and policy support measures, which resulted in increased demand and consumption, paving ways for economic recoveries. Based on such economic recoveries and vaccine drives in major advanced economies, the global world output is projected to recover and grow at 6% in 2021 and 4.4% in 2022. These projections and strength of recoveries, however, remain highly uncertain, with the changing phases of the pandemic that has been witnessing widespread surges across various nations with new virus variants, and the challenges faced by such nations with effectiveness of policy support, stress on medical infrastructure and execution of vaccine drives.

Industrial production and merchandise trade volumes have returned to pre-pandemic levels even as the services sector remains under stress with slower demand. Financial markets across the world have witnessed recoveries and growth which continue to be in discord with real economic conditions. Commodity prices including metal and oil prices continue to rise and are projected to accelerate strongly in 2021. *(Source: IMF World Economic Outlook, April 2021)*

Indian Economic Scenario

India suffered huge economic consequences after the country imposed one of the tightest lockdowns in the world with complete closure of economic activity for the months of April and May 2020. The Indian economy contracted by a staggering 8% during 2020-21 with widespread disruptions witnessed across all sectors. Manufacturing, construction, hospitality and real-estate sectors were the hardest hit, even as the services sector shifted completely to the 'work from home' culture, thereby floating during the closure. This period witnessed an exodus of millions of migrant workers from industrial and urban areas to their villages which later resulted in the industrial challenge of unavailability of unskilled and/or cheap labor, thereby affecting the cost structures of most industries. The country started opening up its economic activity from June 2020 in a phased manner. The agricultural sector, which had been able to successfully support the mammoth population of country continued to be the silver lining as other sectors started picking up activities.

Policy decisions implemented by the Government along-with the declaration of Rs.20 lakh crore stimulus package in the form of 'Atmanirbhar Bharat', the details of which have been included under the MD&A forming part of this report. To summarize, the initiative focused on infrastructure spending and boosting consumption, thereby paving way for economic recovery. The package specifically focused on empowering various sectors including the MSME sector which had been struggling with liquidity, NBFCs and HFCs, power distribution companies, migrant labors with the 'one nation one ration card' scheme, credit facilities to street vendors, Kisan Credit Cards to farmers, fishermen and animal husbandry providing credit at concessional rates, farmer's product logistics including cold chains and post-harvest management. This along-with earlier schemes such as Bharat Net, Digital India, Make in India, Smart Cities project, Economic corridors, Pradhan Mantri Awas Yojana (PMAY) focus on thorough economic revival.

In the following quarters, while the government focused on sustaining the medical activities, strong demand from the economy resulted in brisk recoveries for industrial, manufacturing, services, financial sectors and the financial markets with the benchmark BSE and NSE indices reaching life-time highs. The country has been experiencing a massive second wave of the pandemic even as vaccination drive remains at an infant stage and majority of the States are getting into complete/partial lockdowns once again to contain the second wave. Although the uncertainties around India's economic performance remain prevalent, the Indian economy is expected to perform well with the IMF-World Economic Outlook projecting a 12.5% growth for 2021, whereas the PIB GOI Economic Survey of India pegging the same at around 11%.

Performance of the Company

The year 2020-21 posed consistent challenges throughout fiscal. With the declaration of the lockdown, the operations of the Company, like all its counterparts, were closed for almost two months. During this period, the Company paid full salaries to all its employees. Employees were encouraged to work from home to manage back-office operations. The Company management and function heads during this time, planned the strategies for post-lockdown time which helped the Company get back on track with the operations immediately after the opening of the lockdown. Revenue started picking up as the economic cycle moved and the Company posted modest results for the first two quarters despite the hard challenges. During the subsequent quarters, the Company posted decent recoveries riding on its strong balance sheet position, and cost efficient model.

Total Income

Revenue achieved during the current year was Rs. 2,768.1 Crores as against Rs. 2,877.3 Crores in the previous year resulting in a 3.8% de-growth. The contraction was witnessed across major product segments, with Electrical Cables registering 2.2% and Communication Cables registering 21.4% contraction. Consumer Products segment however, achieved a 27.4% year-on-year growth. Total Income for the year stood at Rs. 2,845.1 Crores as against Rs. 3,049.2 Crores in the previous year.

Profit After Tax was recorded at Rs. 282.9 Crores as against Rs. 402.5 Crores during the previous, resulting in a contraction of 29.7%. Although the sales values achieved were only marginally lower than the previous year, volumes recorded were even lower. The lower volumes were compensated by increase in the selling prices as a consequence of increasing commodity/raw material prices experienced throughout the year. Other Income saw a significant decrease with negligible dividend income during the year as against Rs. 80 Crores received in the previous year on account of an associate declaring regular and interim dividend during the previous year. This was on account of many companies declaring interim dividends during FY 2019-20 owing to the change in the taxability of dividends declared which would later be taxable in the hands of the recipients.

Electrical Cables segment which contributes approximately 83% of the Company's total revenue, caters to the Real Estate market and therefore the segment's performance depends on the performance of the Real Estate sector. The Real estate sector which had started recovering after setbacks from demonetization, GST, RERA and the NBFC crisis, went into a limbo during the lockdown. Although the last quarter showed signs of revival, uncertainties surrounding the economy hampered declaration of newer projects. While the completed residential projects experienced sluggish net absorption with uncertainties in the job market, the commercial space market showed major disruptions with existing commercial spaces viz, office spaces used by the services/IT & ITES sectors, hospitality sector, education sector and shopping malls/retail sector experiencing low to negligible footfall, thereby posting negligible demand. This scenario however is expected to be of temporary nature and the real estate sector is expected to bounce back in the following years. *(Source: JLL India Real Estate outlook 2021)*

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

The SEBI LODR COVID 19 report, forming part of this Report in Annexure A – II, inter-alia, deals with the impact of COVID 19 on the operations of the Company and the short-term future outlook.

Exports:

The global economic activity remained under stress and the Company's exports which although grew by 20.2% year-on-year, stood at a modest Rs. 30.9 Crores as against Rs. 25.7 Crores during the previous year.

Finance

The short term debt programs of your Company continue to be rated by CRISIL. Since the last few years, these have been accorded the highest ratings that CRISIL issues (A1+). CRISIL has also rated the AA+ stable rating for the Company's long term debt offerings. During the year, no debt papers were issued. As on the date of this report, your Company continues to remain debt free.

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

Dividend

Based on the Company's performance, the Directors are pleased to recommend a Dividend of Rs.5.5per equity share i.e.275 % of the face value of Rs. 2 each, for approval of the members at the ensuing Annual General Meeting. The total dividend outgo would involve a cash outflow of Rs. 84.1 Crores.

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

Transfer to Reserves

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

Fixed Deposits

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

Change in Nature of Business

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

New Products and Expansion

Conduit Pipe

The Company has added Conduits & fittings to its repertoire. The Conduits are manufactured at its state of the art GOA plant from specially formulated PVC to meet the most stringent Indian & International Standards. These are made of high impact resistance materials which make them safe to use across varied environmental conditions. High-quality product manufactured using the latest equipment along with a robust distribution network works in favor of this project.

Others

The Company has committed a capex of Rs. 200 crores over the year for enhancing the manufacturing capabilities at Urse, Pune and Verna, Goa. This capex is directed towards enhancing production capabilities to meet the requirements of the Solar Power Industry and the Automotive Industry, bringing in-house certain value additions which were outsourced earlier and further expansion of the Optic Fiber line.

Joint Ventures, Subsidiaries and Associates

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

Corning Finolex Optical Fibre Private Limited

The optical fiber market has been flourishing, especially with the Government's initiatives like Bharat Net and Digital India. This along-with the rapidly increasing demand for high-quality video, audio and data transmissions have been directly influencing the growth of optical fiber cable market. Furthermore, the rising demand for the internet and increasing need for 'fiber to the X – FTTX' are also acting as an active growth driver towards the growth of the optical fiber cable market. Moreover, the high adoption of the technology in IT and telecommunication and administrative sector is creating a huge demand for optical fiber cable as well as lifting the growth of the optical fiber cable market. The optical fiber cable market size is valued at USD 11,778.88 million by 2028 and is expected to grow at a compound annual growth rate of 12.14% during the period.

Likewise, the rising telecommunication industry in the emerging economies along with rising government funding in infrastructure and increasing demand for high bandwidth communication will further cater ample new opportunities that will lead to the growth of the optical fiber cable market in the above mentioned forecasted period (Source : Databridge market research)

Revenue achieved by the JV during FY 2020-21 was Rs. 160 Crores as against Rs. 150.0 Crores in the previous year. With prices being extremely low, net loss after taxes. Also, Rs. 0.24 Crores against a net loss after taxes Rs. 0.30 Crores during the previous period.

The Company's total equity participation in the JV at the end of 2020-21 stood unchanged at Rs.1.75 Crores.

Finolex J-Power Systems Limited

The Government has been vocal and visual with its progressive outlook towards the infrastructure development initiatives such as smart cities, economic corridors, logistics park, housing projects, metros etc., and power infrastructure plays an imminent role in such development. With the increasing number of tenders for High Voltage (HV) and Extra High Voltage (EHV) power transmission lines, the JV foresees great potential for growth.

Although, owing to the pandemic, the Government, utilities and SPVs floated lesser tenders, during the year, the JV successfully applied for Kanpur Metro & IRCON projects, TORRENT, UPPTCL tenders, orders and successfully bagged orders in few cases making it an important player in the HV and EHV power transmission business in the country.

Based on its performance and outreach, it is expected that the JV can break even as well as become profitable going forward; however, would need financial support through Equity infusion until then. Considering this, your Company had infused Equity worth Rs. 24.5 Crores in the JV during the year, taking the Company's total 49% participation in the JV to Rs. 220.5 Crores at the end of FY 2020-21. The JV's long term potential and outlook indeed seem strong, but in the short term, it has been facing net-worth erosion and therefore your Company has recognized a diminution in the value of its investment of Rs. 27.0 Crores during the year under review. The Company however expects that the JV will be turning cash positive in the next few years.

In order to facilitate availing of finance facilities it was thought advisable to change the status of the JV from Private Limited to Public Limited. Accordingly, pursuant to approval of the Board and the members at its last AGM, the status of the JV has been changed effective from 20th July, 2021 to Public limited company and a fresh certificate of incorporation has been received by the JV from Registrar of Companies, Pune.

Particulars of Employees

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

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

Key Managerial Personnel

The following persons continued as Key Managerial Personnel as on the date of this Report.

Name	Designation
Mr. D K Chhabria	Executive Chairman
Mr. Sunil Upmanyu	Executive Director – Operations
Mr. Mahesh Viswanathan	Chief Financial Officer
Mr. R G D'Silva	Company Secretary & President (Legal)

Human Resources

The COVID 19 pandemic has turned out to be 'once in a century' catastrophe and the Company stands committed to the safety and security of its employees. The Company quickly shifted to work-from-home culture during lockdowns that ensued and once open, catered for safest workplaces and stricter procedures and processes at the work-places – Offices, Plants, Branches or Depots. The company continues with its four-pronged COVID 19 strategy viz.,

- Screening and Monitoring
- Prevention and Awareness
- Disinfection and Sanitization
- Social Distancing

The Company with its benchmarked business practices takes immense pride to state that none of its employees were laid-off during the COVID 19 pandemic as at the date of this report.

The Company engaged approximately 1649 and 1762 permanent employees as at 31st March, 2021 and 2020, respectively. The number of flexible (contractual, trainee and temporary) employees as at 31st March, 2021 was 1391.

Corporate Governance

The Company has always and responsibly followed the corporate governance guidelines and best practices endeavored. As a responsibility and service to all its shareholders, the Company promptly discloses timely and accurate information regarding its operations and performance, as well as the leadership and governance of the Company. Your Company is in full compliance with the Corporate Governance guidelines as set out in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") and is committed to good corporate governance. Accordingly, all Directors and Senior Management employees confirm in writing their adherence to the Company's Code of Conduct.

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

Corporate Social Responsibility

Your Company strives to provide best products and services not only to its customers, employees and shareholders, but also to the whole society as a whole. Your Company commits itself to utmost care and help for sections of the society in need of such a hand and this is visible through the CSR initiatives undertaken by the Company.

During 2020-21, The Company undertook the following CSR activities:

- Donation to PHD Fellowship Programm , COEP, Pune
- Donation to Maharaja Jagat Singh Medical Relief Society
- Donation to Sakal Releif Fund
- Free Distribution of Artificial Limbs through Sadhu Vaswani Mission
- Advance Cardiac Ambulance & Mobile distribution
- Project for helping Diabetic and needy Children
- Mobile Health Clinic to Pawana Hospital, Urse
- Others

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

Directors

1. The current Board of Directors of the Company comprises 6 (Six) directors, of which 3 (Three) directors are Additional Directors appointed as Independent Directors, 2 (Two) directors are Additional Directors appointed as non-independent directors, and 1 (One) director is the Executive Chairman of the Company. In terms of Section 152 of Companies Act, 2013 ("the Act") read with Articles of Association of the Company ("AoA"), Independent Directors and Directors who are appointed as Chairman, Executive Chairman or Managing Director of the Company are not liable to retire by rotation. Further, the offices of Additional Directors appointed by the Board of Directors are valid

upto this AGM, and their appointment as Directors is subject to the approval of members of the Company in this AGM. Therefore, there is no director who is liable to retire by rotation in this AGM.

2. Hence, the following Directors on the Board of Directors of the Company (the "Board") namely: Mr Sunil Upmanyu, Executive Director - Operations, Mr Padmanabh R Barpande, Independent Director, Mr Avinash S Khare, Independent Director, Mrs Firoza F Kapadia, Independent Women Director and Mr Prasad M Deshpande, Non Independent Non-Executive Director hold office with effect from 30th September, 2020 upto the date of the ensuing Annual General Meeting of the Company (29th Sept, 2021). The respective resolutions proposing the appointment of each of these five Directors has, pursuant to the recommendation of the Nomination and Remuneration Committee been duly approved and recommended by the Board for consideration and approval of the Members at ensuing Annual General Meeting and is included in the Notice at Item Nos. 3 to 10 therein".

   The requisite details regarding their re-appointment are set out in the Notice for the ensuing Annual General Meeting.

Compliance Under the Companies Act, 2013

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

- **Web link to the Annual Return:** The Annual Return of the Company is available at the Company's website at www.finolex.com

- **Number of meetings of the Board:** The Board met on Seven (7) occasions during the year. The details of the meetings are furnished in the Report on Corporate Governance which is attached as Annexure B to this Report.

- **Directors' Responsibility Statement:** Pursuant to Sections 134(3)(c) and134(5) of the Companies Act, 2013, (the "Act"), the Directors, to the best of their knowledge and belief and according to the information and explanations provided to them, confirm that:

  - In the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same.

  - the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period

  - the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities

  - the Directors have prepared the annual accounts on a going concern basis;

  - the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

  - the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

- **Remuneration and Nomination Policy:** The Board of Directors has framed the policy which lays down a framework in relation to Appointment and Remuneration of Directors, Key Managerial Personnel and Senior Executives of the Company including the criteria for determining qualifications, selection and appointment. Further details are provided in the Corporate Governance Report which is attached as Annexure B to this Report.

- **Board Evaluation:** Pursuant to the relevant provisions of Companies Act, 2013, the Independent Directors at their meeting dated 12th March, 2021 without the participation of the non-independent directors and Management, considered and evaluated the Board's performance, performance of the Chairman and other non-independent directors. The evaluation was performed taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance. The Board of Directors expressed its satisfaction with the evaluation process.

- **Particulars of loans, guarantees or investments under section 186 of The Companies Act, 2013:** During the year, an equity investment of Rs. 24.5 Crores in the Company's JV - M/s Finolex J-Power Systems Limited.

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

- **Material changes and commitments affecting the financial position of the Company which have occurred between 31st March, 2021 and (date of this report):** There were no material changes and commitments affecting the financial position of the Company between the end of the financial year (31st March, 2021) and date of this Report (29th June, 2021)

- **Significant and material orders passed by the regulators or Court or Tribunals impacting the going concern status of the Company:** There are no significant and material orders passed by the Regulators or Courts or Tribunals that would impact the going concern status of the Company or the Company's operations in the future.

- **Adequacy of Internal Financial Controls with reference to the Financial Statements:** Having regard to Rule 8 (5) (viii) of the Companies (Accounts) Rules, 2014, the details in respect of adequacy of internal financial controls with reference to the financial statements of the Company are as follows:

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

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

- The Audit Committee regularly meets and reviews the results of the various internal control audits both with the Auditors (Internal and Statutory) as well as with the respective Auditees. The Audit Committee is apprised of the findings as well as the corrective actions that are taken. Periodical meetings between the Audit Committee and the Company Management also ensure the necessary checks and balances that may need to be built into the control system. The statutory auditors in the Annexure 'A - I' to the Independent Auditor's Report comment on the internal financial controls of the Company. The auditors have issued a clean report for the current year.

- **Risk Management Policy:** Your Company has set up a Risk Management Committee of the Board of Directors which comprises Mr. P R Barpande, Mr. D. K.Chhabria, Mr. Mahesh Viswanathan, Mrs. Firoza Kapadia and Mr. Sunil Upmanyu. More details of the risks faced by the Company are available in the Management Discussion and Analysis (MDA), attached as Annexure 'A - I' to this Report.

- **Vigil Mechanism / Whistle Blower Policy:** As required under Section 177 (9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Boards and its Powers) 2014 and Regulation 22 of the SEBI LODR Regulations, the Company has adopted a policy on vigil mechanism / whistle blower. The policy provides direct access to the Chairman of the Audit Committee in case any employee should choose to report or bring up a complaint. Your Company affirms that no one has been denied access to the Chairman of the Audit Committee and also that no complaints were received during the year. Brief details about the policy are provided in the Corporate Governance Report which is attached as Annexure B to this Report. Also, the policy is available at the Company's website at www.finolex.com.

- **Prevention of Sexual Harassment Policy:** The Company has in place a policy on prevention of sexual harassment in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

  During the year under review, no complaints were received. The requisite Annual Return for calendar year 31st December, 2020 showing Nil complaints received has been filed with the prescribed Authority with the time permissible for the same.

Auditors

M/s Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No.117366W / W100018), Auditors of the Company, hold office until conclusion of the Fifty-Fourth Annual General Meeting of the Company to be held in the financial year 2022-23, provided that they continue to remain eligible to continue as Auditors of the Company. As required under the provisions of Section 139 and Section 141 of the Companies Act, 2013 read with the Companies (Accounts) Rules 2014, the said Auditors have confirmed their eligibility to continue to act as Auditor of the Company.

The Audit Committee and the Board of Directors have noted the aforesaid.

Cost Audit

As per the requirement of the Central Government and pursuant to Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) rules of 2014 as amended from time to time, your Company has been carrying out an audit of cost records every year. At the previous Annual General Meeting, the members had approved the appointment of M/S Joshi Apte& Associates as Cost Auditors, for the financial year 2020-21, at a remuneration of Rs. 5.5 lakh plus GST, as applicable, and reimbursement of out of pocket expenses. Their work will commence shortly and their report would be filed with MCA on or before the due date.

The Cost Audit Report for the financial year 2019-20 was filed prior to its due date.

Secretarial Audit

In accordance with the provisions of Section 204 of the Companies Act, 2013, and the Rules made there under, M/s Jog Limaye & Associates, a firm of Company Secretaries in practice, was appointed by Board to conduct the Secretarial Audit of the Company.

There are no qualifications, reservations or adverse remarks or disclaimers made by the auditor in his report. Their Report is attached as Annexure D to this report.

Secretarial Standards

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

Listing of Securities

Your Company's equity shares are listed on the two premier stock exchanges of the country namely BSE Limited and National Stock Exchange of India Limited. Your Company had issued Global Depository Receipts which are listed on the Luxembourg Stock Exchange. Your Company has not issued any Non-Convertible Debentures ("NCDs") in financial year 2020-21 and no NCDs were outstanding as on 31st March , 2021.

Energy, Technology and Foreign Exchange

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

Investor Education And Protection Fund (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF, established by the Government of India, after the completion of seven years. Further, according to the IEPF Rules, the shares on which dividend which are not subject to any legal restraints and have has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority. During the year, there are no shares liable to be transferred to the IEPF Authority against 3,07,205 shares in previous year on which dividends were unclaimed for seven consecutive years as per the requirements of the IEPF Rules. The members who have a claim on above dividends and shares may claim the same from IEPF Authority by submitting an online application in web Form No. IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5. In any case no claims shall lie against the Company in respect of the dividend / shares so transferred.

Cautionary Statement

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

Acknowledgements

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

For and on behalf of the Board of Directors

Place: Pune
Date: August 12, 2021

D. K. Chhabria
Executive Chairman

Annexure A - I

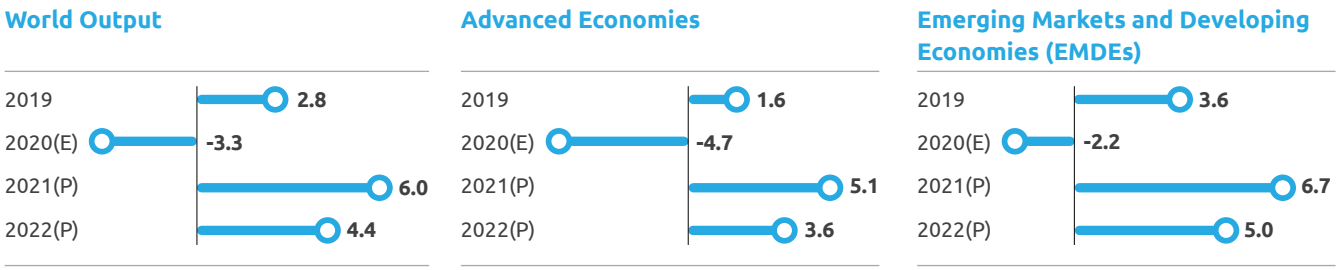
Management Discussion and Analysis

ECONOMIC REVIEW

Global Economic Scenario

The global economy in Calendar Year (CY) 2020 witnessed an unprecedented crisis as the outbreak of the novel coronavirus (COVID-19) pandemic in China towards the end of CY 2019 spread rapidly across the globe. While ensuing lockdowns announced by all major economies played a critical role in saving lives, they inflicted severe damage to the economic activities forcing the world economy into a recession. As per the International Monetary Fund (IMF), the global Gross Domestic Product (GDP) is estimated to have undergone a significant contraction of 3.3% vis-à-vis 2.8% growth in CY 2019. While Advanced Economies (AEs) declined by 4.7%, with the United States (US) and Europe contracting by 3.5% and 6.6% respectively, Emerging Markets and Developing Economies (EMDEs) registered a relatively lower decline of 2.2%. This was on account of recovery in the Chinese economy in the second half of CY 2020 post successful containment of virus spread in the country.

Global Economic Growth: Actual and Projections (%)



Source: IMF World Economic Outlook, April 2021, E= Estimates, P = Projections

Global prospects continue to remain uncertain one year into the pandemic. New virus mutations and the accumulating human toll raise concerns, even as growing vaccine coverage lifts sentiment. Economic recoveries are diverging across countries and sectors, reflecting variation in pandemic-induced disruptions and the extent of policy support. The outlook depends not just on the outcome of the battle between the virus and vaccines, it also hinges on how effectively economic policies deployed under high uncertainty can limit lasting damage from this unprecedented crisis.

The sharp fall in the demand for energy worldwide in the wake of the coronavirus pandemic is expected to severely impact the wires and cables market growth. However, market size across Asia Pacific in 2019 stood at USD 76.50 billion and the region is expected to dominate the market share going forward. Its leading position is mainly attributable to the massive investments made by India and China in strengthening and modernizing their power infrastructure over the past few decades. The continued surge in global demand and tightness in supply due to supply-side issues and production curbs in China has helped regional metal prices in Asia to inch up further.

(Source: www.globenewswire.com)

On the positive side, substantial fiscal and monetary stimulus packages released by the governments and central banks across the globe will play a pivotal role in the economic recovery. Backed by improving business environment post lockdown relaxations, increasing labour and product market availability, and governments' thrust on augmenting economic and trade activities, the global recovery is expected to gain traction moving forward. Successful vaccination programmes are expected to further boost investor sentiments leading to kickstart private capital inflows and fixed capital formation. Backed by the improving macro-economic indicators, the IMF estimates the global economy to grow at 6.0% in CY 2021.

Indian Economic Scenario

India witnessed major economic disruptions in Financial Year (FY) 2020-21, as the outbreak of COVID-19 perversely impacted human health and safety of the country's inhabitants. This prompted the government to undertake one of the world's tightest lockdowns, bringing manufacturing and trade activities to a screeching halt. Prolonged lowdown exacerbated existing vulnerabilities of the country including the weakened financial sector, private investments, and consumption demand. This forced the Indian GDP to contract by 8.0% as against a growth of 4.0% recorded in FY 2019-20, marking a recession since 1980, as per IMF estimates.

The government announced a special economic and comprehensive package of Rs. 20 lakh crores, equivalent

to 10% of India's GDP, to revive the country's languishing economic activity. The package provided benefits in the form of financial aid, provision of food, and ensuring security to enable the country to tackle the prevalent crisis. A few of the measures included:

- Direct cash transfer benefits to over 8.7 crores Indian farmer families
- Development of 2,500 km access control highways, 9,000 km of economic corridors, 2,000 km of coastal and land port roads and 2,000 km of strategic highways to be undertaken
- It is proposed to allocate Rs. 22,000 crores for power and renewable energy sector and the government has urged state governments to implement smart meters
- To encourage domestic production, the government has also increased duty on solar inverters from 5% to 20%, and on solar lanterns from 5% to 15%
- An additional capital infusion of Rs. 1,000 crores to India's Solar Energy Corporation and Rs. 1,500 crores to Indian Renewable Energy Development Agency
- Import duty on copper scrap reduced from 5% to 2.5% to boost recycling of copper
- 1,000 more mandis to be integrated into the E-NAM marketplace

Supported by recovery in investor sentiment and manufacturing and construction, investment focused government spending and massive vaccination drive, India's GDP growth is likely to rebound sharply to 12.6% in FY 2021-22, making it the fastest-growing economy in the world, as per Organization for Economic Co-operation and Development (OECD).

The pandemic has drastically impacted the wires and cables market with minor shifts in communication technologies. Online courses and classes conducted by universities and colleges due to the worldwide closure, introduction of telehealth in the healthcare industry to reduce in-person visits, and companies working remotely and abiding by WFH (Work from Home) policy are some of the prominent trends that have been witnessed across the globe. Thus, connectivity and communication technologies have accelerated in the span of the pandemic. The telecommunications industry has highly benefited from the situation as the pandemic has highlighted the true value of connectivity. 5G progress in connections and deployments has continued despite the pandemic and the resulting economic downturn. Further, the wires and cables market are estimated to grow owing to factors including infrastructure development, economic growth in developing countries, and increasing internet penetration.

Other factors that influence the growth of low voltage cables are the growth in power generation and distribution sector from renewable energy sources, and demand from automotive and non-automotive industries. Urbanization and industrialization are the major reasons for augmenting the overall market growth. The need for power grid interconnections in areas with a dense population is creating a demand for underground and submarine cables.

Company Overview

Finolex Cables Limited (hereinafter referred to as "Finolex" or "the Company") was established in 1958 and has emerged as India's largest and leading manufacturer of electrical and telecommunication cables. By leveraging the latest technology, state-of-the-art manufacturing facilities, and technical knowhow, it has created a distinctive identity for itself as a manufacturer of the highest quality Cable and Wire (C&W) products. The Company recently forayed into the Fast-Moving Electrical Goods (FMEG) segment as well with an ambitious goal of becoming a one-stop shop solution for all electrical products requirements. The addition of a broad range of FMEG products to its well-established cables and wires portfolio has further bolstered its presence in the margin accretive B2C market.

The Company's Goa plant manufactures Continuous Cast Copper Rods (CCC rods) that form a key raw material input for producing copper-based electrical and communication cables. This backward integration facilitates the Company in achieving superior control over the quality of the final products and better margins through minimized raw material cost. While most of the production in Goa plant is used to fulfil the captive requirement of the Company, the surplus share is sold to third parties, results of which are covered under 'Copper' segment results.

The Company continues to invest in upgrading its technologies and manufacturing facilities to be able to consistently provide higher quality products and adapt to the changing business dynamics. Further, it strives to enhance operational efficiencies and market reach to capitalize on the emerging growth opportunities in the C&W and FMEG industry.

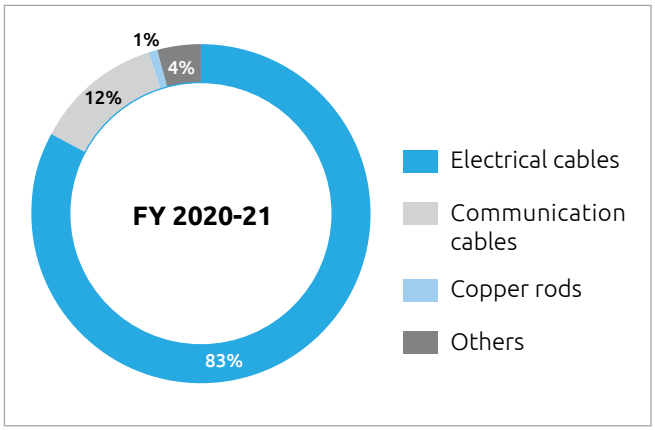
Major Products and Segments

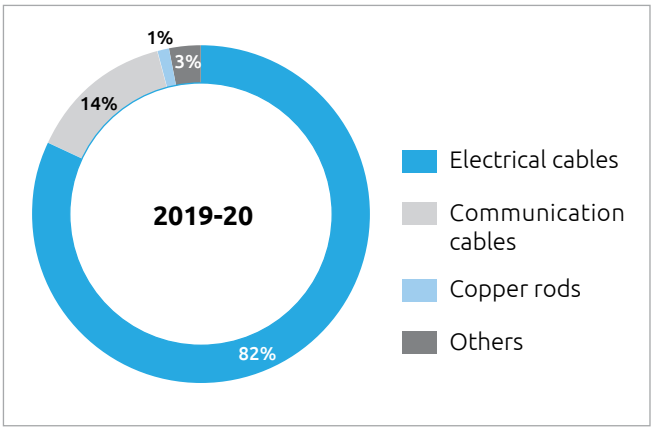
The Company is well-recognized as a 'Total Cable Solutions' provider and caters to diverse electrical requirements of commercial, industrial, and consumer markets through its wide range of electrical wires and cables. Furthermore, its FMEG product portfolio comprising LED lights, electrical switches, fans, water heaters, and switchgear is well-positioned to provide new growth opportunities to the Company.

Product Portfolio and Applications

Group	Product Covered	Application
Electrical Cables	1100V PVC insulated cables	Electrification of industrial establishments, used by construction industry, electrical panel wiring, and consumer electrical goods
	Motor winding PVC insulated cables	Submersible pumps and electrical motors
	Automotive/battery cables	Wiring harness for the automobile industry and battery cables for various applications
	UPS cables	For providing power from the UPS to the computer/appliances in the networking environment
	Heavy-duty, underground, low voltage, power and control cables	Connection to the user point from the main supply of power
	Heavy-duty, underground, high voltage, power cable	Intra-city power distribution network
	Elevator cables	For use by the elevator industry
	Solar cables	Specially insulated cables for use in solar parks
Communication Cables	Optic fiber cables	Networks requiring high-speed transfer of large bandwidth for voice image and data transmission
	Optic fiber	The principal raw material for optic fiber cables
	Coaxial cables	Cable TV network solutions, microwave communications, mobile towers
	Local area network (LAN) cables	Indoor and outdoor networking, voice, and data transmission, broadband usage
	CCTV cables	CCTV cables for a better quality of CCTV images
	Speaker cables	Broadcasting applications in buildings and electronic goods
	Jelly-filled telephone cables (JFTCs)	Telephone line connections to exchanges and users
	PE insulated telephone cables (Switchboard cables)	Telephone instrument connections to EPABX
	V-SAT cables	For connecting V-SAT dish to a base station
Copper Rods	CCC rods of 8mm in diameter	The raw material for manufacturing copper-based cables
Electrical Switches	Premium and classic switches, sockets, regulators, etc.	For power supply to equipment in domestic, commercial and industrial environment
Lamp	Retrofit/non-retrofit CFL lamps and T5 tube lights and fittings, LED-based lighting solutions	Lighting for homes, hotels, shops, offices, and factories (both indoor and outdoor applications). Also available for streetlight applications
Electrical Fans	Ceiling fans, table fans, wall fans, pedestal fans, exhaust fans	For use in domestic, commercial, and industrial environment
Switchgear	Miniature circuit breaker (MCB), residual current circuit breaker (RCCB), moulded case circuit breaker (MCCB), distribution boards (DB)	For use in voltage surge protection and safety applications in the domestic and commercial environment
Conduits	Conduit Pipes and Fittings	For use in domestic and commercial environment

Revenue Break-Up





Operational Review

Production

Electrical Cables: 52,248 MT as compared to 60,651 MT in the previous year.

Communication Cables: Metal-based at 6,457 MT as compared to 7,773 MT in the previous year.

Communication Cables: Optic fiber cables of 1,233,952 fiber kilometre (FKM) as compared to 1,295,500 FKM in the previous year.

Revenue

Electrical Cables: Rs. 2,309.9 crores as compared to Rs. 2,361.1 crores in the previous year.

Communication Cables: Rs. 321.5 crores as compared to Rs. 408.9 crores in the previous year.

Copper Rods: Rs. 23.1 crores as compared to Rs. 19.1 crores in the previous year.

Other Products: Rs. 113.6 crores as compared to Rs. 88.2 crores in the previous year.

Finolex registered total revenue of Rs. 2768.1 crores in FY 2020-21 as against Rs. 2,877.3 crores in the previous year, registering a 3.8% YoY de-growth with contraction registered across major segments, predominantly due to challenging macro-economic factors. The segment-wise revenue contraction was - Electrical Cables by 2.2%, Communication Cables by 21.4%. Other products segment registered a growth a YoY growth of 27.4%. Total Income (segment revenues and other income) for the year stood at Rs. 2,845.1 crores as against Rs. 3,049.2 crores in FY 2019-20.

Electrical Cables segment which contributes approximately 83% of the Company's total revenue, caters to the Real Estate market and therefore the segment's performance depends on the performance of the Real Estate sector. The Real estate sector which had started recovering after setbacks from demonetization, GST, RERA and the NBFC crisis, went into an oblivion during the lockdown. Although the last quarter showed signs of revival, uncertainties surrounding the economy hampered declaration of newer projects. While the completed residential projects experienced sluggish net absorption with uncertainties in the job market, the commercial space market showed major disruptions with existing commercial spaces viz. office spaces used by the services/IT & ITES sectors, hospitality sector, education sector and shopping malls/retail sector experiencing low to negligible footfall, thereby posting negligible demand. This scenario, however, is expected to be of temporary nature and the real estate sector is expected to bounce back in the following years. (Source: JLL India Real Estate Outlook 2021)

The Government has been aggressively announcing relief and stimulus measures for various sectors and has come up with an Alternative Investment Fund of Rs. 25,000 crores for revival of the real estate industry. This last-mile funding avenue for stuck projects will be a big relief for the developers as well as the homebuyers committed to these projects. In the process, revival in the construction activity will also have a multiplier effect on economic growth given its linkages to various industries. The Company expects substantially higher growth in revenues from the electrical cables segment in a few years.

Revenue from the Communication Cables segment declined as the slowdown in the domestic public and private telecom sector continued to prevail throughout the year. Although the Bharat Net, Digital India, 5G projects provide a strong outlook to this sector, the prevailing challenges with the pandemic results in uncertainties regarding revival of this sector.

The Company has registered a healthy revenue growth in the others segment (FMEG) on the back of its strong brand recognition and well-spread sales and distribution network.

Union Budget 2021 benefits to various segments

Apart from the financial features offered by the Government through the Atmanirbhar Bharat package, the Union Budget 2021 inter alia also consisted of the following provisions which provide positives for the Company:

- Import duty on copper scrap reduced from 5% to 2.5% to boost recycling of copper and increase availability of raw material
- An aid of Rs. 3.05 lakh crores for the power distribution, to be released over five years. Funds will be released based on financial performance and viability demonstration by the distribution companies (DISCOMs). This provides prospects to generate more demand for electrical cables and accessories
- Vehicle scrapping policy will generate higher demand for Auto cables
- Agriculture infrastructure fund made available for APMCs will facilitate healthy revenue growth in Optic Fiber Cable & other segment

Exports

Despite the slowdown in the global economic activity, Finolex total exports stood at Rs. 30.9 crores as against Rs. 25.7 crores during the previous year, registering a growth of 20.2% Y-o-Y.

Key Financial Ratios

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

Key Strengths

Strong Brand Recall

Over its five-decade-long journey, the Company has created a unique brand presence by consistently investing in attracting the best talent, deploying the latest technology, and supplying the highest quality products. Furthermore, leveraging its brand recall, competent sales and marketing team, and pan-India distribution network, it has successfully forayed into FMEG segment. This has enabled the Company to establish itself as a consumer validated 'Superbrand'. The Company continues to augment its brand visibility through visual and digital media marketing, further strengthening its tagline "Finolex – Gets People Together" and thereby maintains its unique presence.

Comprehensive Product Portfolio

Over the years, Finolex has achieved a wide product diversification in wires and cables, FMEG, and home appliances segments. While it stands a comprehensive solutions provider for all cabling requirements across institutional and government clients, it has de-risked its dependence on C&W industry by diversifying into FMEG business. Its FMEG products have been generating encouraging market traction and the segment has been steadily increasing its share in the revenue mix.

Product Quality

The Company endeavours to achieve customer satisfaction by providing products that adhere to the highest standards of quality, reliability, and durability. High-quality products coupled with their availability at competitive prices provide a compelling value proposition to the Company's customers. Additionally, the Company strives to stay consistent with its tagline 'Behtar ElectriKAL Ke Liye' by proactively investing in sophisticated plant, machinery, and technology and focusing on increasing the product quality through R&D efforts.

Extensive Distribution Network

The Company's wide distribution network has a pan-India presence, which enables it to supply huge volumes of products to all the key markets efficiently. While the Company has a robust network comprising 5,000+ channel partners and over 90,000+ retailers, it has also launched an e-retail site to capitalise on the growing e-commerce trend and increase its presence in the retail segment. Furthermore, to provide end-to-end electrical solutions, the Company launched a retail brand store under the name 'Finolex House' in FY 2019 and plans to launch 24 stores by FY 2021-22.

Backward Integration

The Company has judiciously undertaken backward integration and manufactures key raw materials such as PVC compound, copper rods, optic fiber, and FRP rods in-house. Backward integration ensures the availability of key raw materials at a lower cost and desired quality. This, in turn, enables the Company to supply high-quality products at competitive prices while simultaneously improving its bottom line.

Joint Ventures and Technical Collaborations

The Company has extensive joint venture agreements with several competent and technologically superior companies.

A few of these include J-Power Systems Corp., Japan (a Sumitomo Group company) for EHV (extra high voltage) cables, marketing JV with Corning for optic fiber technology. Through these ventures, the Company expects to create new growth avenues and achieve superior profitability moving ahead.

Growth Drivers

The Company emphasizes continuous improvements to achieve its aspirational goals while safeguarding the interests of its key stakeholders such as customers, channel partners, retailers, employees, and capital providers. To meet this end, it focuses on following key areas:

- Overcoming obstacles and preparing for the future by leveraging experience of over five decades
- Unequivocal focus on maintaining and raising standards of product quality
- Constantly upgrading technical expertise and thrust on providing innovation-led solutions
- Competent in-house development team to consistently launch new and technically-advanced products
- Achieving cost efficiencies to ensure profitability while maintaining competitive pricing
- Expanding and strengthening the distribution network along with growing 'Finolex House' retail brand stores
- A customer-centric approach through high-quality value-add products
- Work from home has increased demand and prominence of FTTH cables

Business Environment for Product Segments with Outlook

Electrical Cables

The electrical cables segment forms the core business of Finolex commanding largest share of the revenue mix at 83% in FY 2020-21. Under this segment, the Company manufactures high-quality, light-duty electrical cables and power and control cables that meet stringent international standard benchmarks.

- While light-duty electrical cables are primarily used for general purpose lighting, they are also utilized for electrification of industrial establishments and electrical panel wiring in various industrial facilities. Furthermore, these cables also find application in consumer durable goods, automobiles, agricultural pumps, and small generators
- The Company manufactures high voltage power and control cables that are designed exclusively for underground applications. These cables are insulated with fire retardant compound and meet the international technical and quality specifications. The Company can manufacture cables from 1.1 kV to 66 kV. While power cables below 3.3 kV are used for connecting user point with the main power supply, cables above this threshold find extensive applications in intra-city electricity distribution network

Performance

Revenue from the Electrical Cables segment in FY 2020-21 stood at Rs. 2,309.9 crores against Rs. 2,361.1 crores in the previous year. It accounted for 83% of total sales for the year under review. Volumes sold reduced by 6% as compared to the previous year. However, increase in commodity prices resulted in restricting total sales value reduction to 2.2%. The consistent increase in the commodity prices was addressed by suitable pricing policies. Electrical Cable EBIT margin decreased marginally from 16% in FY 2019-20 to 15% in FY 2020-21 due to a nationwide lockdown in 1st quarter of financial year.

The Electrical Cables business is directly related to the performance of the real estate sector which witnessed a slow growth. Despite this, the Company managed to register decent earnings in the year under review, performing well in the general electric wire sub segment, which caters to construction space and automobile wire. In the construction sector, the growth was mostly driven by improved distribution network. In the automobile sector, the Company has added new customers, which has resulted in an increase in volume.

Growth Drivers

The Cables and Wires (C&W) industry is estimated to grow at a compound annual growth rate (CAGR) of 5% in the period FY 2020-25. Growth will be primarily driven by the government's spends in augmenting the country's power transmission and distribution (T&D) capabilities, thrust on infrastructure and energy-intensive sectors, and focus on reviving housing sector. Furthermore, rapidly growing urbanization, increasing prominence of renewable energy, and rising rural incomes are expected to increase power consumption and thereby increase demand for electrical cables.

a. Thrust to enhance reach and efficiency of T&D network

While India is the third-largest producer and consumer of electricity in the world, its per capita electricity consumption stands significantly lower than the global averages. Backed by this structural growth headroom

and the government policy support through 'Power for All' Mission, the energy consumption of the country is expected to rise substantially going ahead. With T&D capacity significantly lagging power generating capacity of the country, there stands huge demand potential for the electrical cables.

b. Power generation addition vs. T&D addition in India

Power and infrastructure form the most critical end-user segment and are crucial for the sustained growth of the C&W industry. The T&D sector continues to remain in focus with an impetus on high voltage transmission lines along with the government's objective to provide 24×7 power. The government is aiming to make higher investment targets for the T&D sector over the 13th Plan (2017-22) at Rs. 3 to Rs. 3.25 trillion compared to Rs. 2.1 to Rs. 2.2 trillion over the 12th Plan to 93 gigawatts (GW). Government's measures to enhance railways infrastructure, increasing focus on renewables, and rising energy needs in the power sector have been augmenting demand for electrical cables and wires.

c. Rural electrification and distribution expansion

The government launched several schemes such as Ujjwal Discom Assurance Yojana (UDAY), Deendayal Upadhyay Gram Jyoti Yojana (DDUGJY), the Integrated Power Development Scheme (IPDS), and the Pradhan Mantri Sahaj Bijli Har Ghar Yojana (Saubhagya) with an aim to provide affordable electricity supply to all villages in India. After successfully electrifying ~99% of the villages and towns in FY 2019, the government has launched ADITYA scheme to focus on sustaining power distribution and reducing power loss, which will further drive the demand for technically advanced and efficient cables.

d. Rising demand for renewable energy

The government has been promoting solar power through well-targeted schemes such as Jawaharlal Nehru National Solar Mission (JNNSM); subsidies for incentivizing the installation of rooftop PV systems; development of Solar Parks and Ultra Mega Solar Power Projects; and allowing 100% FDI in the solar sector through automatic route. Its ambitious target to reach 175 GW and 500 GW of renewable energy by 2022 and 2030, respectively, are expected to create considerable demand for speciality elastomeric solar cables going forward.

e. Revival in the housing sector

Favourable reforms such as Real Estate Regulatory Authority (RERA), GST, Insolvency and Bankruptcy Code (IBC), and Benami Property Act are helping streamline and boost the real estate sector of the country. Further, government has been supporting the 'Housing for All by 2022' mission with a slew of schemes and incentives such as Credit Linked Subsidy Scheme (CLSS), Alternative Investment Fund, and tax benefits to both affordable home buyers and developers. These initiatives are expected to drive a significant demand for housing wires and cables in the medium to long run.

f. National Infrastructure Pipeline

The government has announced an investment of Rs. 111 lakh crores over the next five years through National Infrastructure Pipeline with an aim to kickstart economic growth of the country. This scheme has been expanded to cover 7,400 projects across 23 sectors with 71% of the total capital outlay targeted to augment energy, road and highways, railways, and metros, and urban infrastructure. With cables and wires providing crucial power inputs to these sectors, C&W industry will be one of the key beneficiaries of National Infrastructure Pipeline investments.

Outlook

Backed by significant growth drivers, the electrical cables segment is well-poised to witness strong demand growth in the coming years. The larger pie of this demand will be captured by organized players such as Finolex due to further consolidation of the market towards organized companies. This will be driven by factors such as superior products of the organized market both in terms of quality and technical specifications, rising preference for well-known brands, and increasing price competitiveness post GST implementation.

While the advent of the pandemic heavily impacted the real estate sector in FY 2020-21, demand for affordable housing is expected to remain robust. It will be driven by all-time-low EMI/Income ratios due to lower interest rates, stagnant property prices, small unit sizes, and government's monetary support. With larger and organized players increasing their market share, demand for good quality housing wires and cables is expected to rise, making Finolex one of the key beneficiaries of the trend.

Given large-scale order size, lucrative margins and long gestation period, the Company faces competitive, operational, and cash flow risk. Finolex is well positioned to ward off competitive pressures by leveraging its brand equity, an extensive portfolio of topnotch products and pan-India presence. By diversifying into multiple industries, it has de-risked customer concentration risk. Further, backward integration, economies of scale, and price variation clause in vendor contracts have enable it to exercise superior control over manufacturing costs.

Communication Cables

Under the communication cables segment, Finolex manufactures state-of-the-art, new generation communication cables and traditional telephone cables.

- The state-of-the-art communication cables include Copper-Based Cables and Optical Fiber (glass-based) Cables (OFC). Copper-based cables are further categorized into LAN cables, Coaxial cables, PE insulated switchboard cables and V-SAT cables. While LAN cables are used for high-speed data transfer, Coaxial cables find application in microwave connections, mobile towers, and feeding content to TV receiving sets. PE insulated switchboard cables are used in telephone instruments and EPABX (voice communication) systems, whereas V-SAT cables enable last-mile connectivity by establishing a connection between V-SAT dish to a base station. Considering the growing demand for surveillance, the Company has also launched innovative special cables used for image capture and CCTV cameras as well as in power solutions

- Optic Fiber Cables (OFC) are glass-based cables having the ability to carry maximum bandwidth and transmit data at high speed. While they are primarily used for data distribution by telecom companies and multi-service organizations, they are also used as trunk cables for long-distance networks

- Communication cables play a critical role in the infrastructure development of the country due to their demonstrated abilities in transmitting digital data at high speed and high bandwidth. Considering the growing demand for optic fiber cables, the Company has undertaken capacity expansion at Urse facility in Maharashtra

- Traditional telephone cables include copper-based JFTCs which are laid underground and are primarily utilized for achieving landline telephone connectivity. The Company is gradually reducing its focus on this segment as growing penetration of mobile phones and technically-advanced substitute OFC are affecting demand for JFTCs. However, the Company continues to manufacture JFTCs having broadband features for public and private telecom companies as well as for export markets as per the client requirements

Performance

The communication cables segment (including optical fiber) recorded sales of Rs. 321.5 crores in FY 2020-21 against Rs. 408.9 crores in FY 2019-20. Communication Cable EBIT margin declined due to challenges faced by India's telecom sector which has been struggling for the last three years. EBIT levels for the year stood at 12% in this segment as compared to 6% in the previous year. Finolex's marketing JV with Corning for Optical Fibre technology, Corning Finolex Optical Fibre Private Limited, achieved revenue of Rs. 160 crores during FY 2020-21 as against Rs. 150 crores in the previous year.

International fiber prices experienced volatile movements through the year while the same could be said for the supply of raw material required for the product. Further, communication cable projects in the domestic market faced severe liquidity crunch. While state-run telecom players BSNL and MTNL have been struggling to generate cash, other major telecom companies in India reported record losses in the year under review after making provisions for adjusted gross revenue (AGR).

Growth Drivers

a. Digital India

The government launched the flagship Digital India programme with an aim to transform India into a digitally empowered society and knowledge economy. It further launched BharatNet programme aiming to connect more than 2,50,000 Gram Panchayats with an optic fiber network across India and provide high-speed broadband connectivity across all the rural regions by 2022. In the light of rapidly increasing data requirements, the government is pushing for telecom reforms and augment the country's data transmission capacity. This is expected to auger well for the demand for optic fiber cables.

b. 5G Infrastructure

The government is eyeing to make 5G services commercially available across India to accelerate the country's economic growth. However, for a successful rollout of 5G, the country would need densification of the transmission network through provisioning of OFC, small cells, and mobile towers. The government aims to increase fiber footprint to 7.5 million kilometres by 2022, from the current 1.75 million kilometres, which will create a massive opportunity for the OFC segment. The growth of 5G is expected to trigger demand for undersea fiber optic cables, which is estimated to reach around Rs. 3,000 crores in the next five years.

Outlook

The COVID-19 pandemic has impacted the India structured cabling industry adversely. Key industries, including IT & telecommunication, construction, automotive, and manufacturing, are severely impacted due to the lockdown implemented by the central and state governments, thereby lowering the demand for structured cabling in the country. However, government initiatives to construct 100 smart

cities, offer free Wi-Fi services in trains, increasing demand for intelligent buildings, Bharat Net Programme are seen augmenting the growth of communication cables.

Finolex has partnered with US-based Corning Inc which stands a world leader in glass and fiber manufacturing. Leveraging its technical expertise, the Company's operational efficiencies, and robust demand in both domestic as well as export market, the OFC segment is expected to provide notable growth opportunities to the Company in the coming years.

In the OFC segment, Finolex faces two principal risks that may affect its pricing power and profitability. These are intensifying internal competition, especially from the unorganized players and market rate fluctuations in copper prices, which forms a key raw material input. The Company mitigates the adverse impact of these risks through backward integration, efficient and bulk procurement, and linking product prices with changing input costs. The Company manufactures products that are in sync with local and international quality standards. Propelled by these positive developments, it is well positioned to leverage the growth opportunities.

Copper Rods

Finolex integrated backwards to manufacture Continuous Cast Copper Rods (CCC rods) which in turn are used in the production of copper-based electrical and communication cables. The Company contracts long-term and bulk purchase agreements with local players to cost-effectively procure Copper cathodes, the key raw material for copper rods. Production over and above captive requirement is sold to third-party customers.

Performance

Majority of the production of the Copper rod division was consumed in-house by the Company. During the year, third-party sales of Copper Rods stood at Rs. 23.1 crores as compared to Rs. 19.1 crores in the previous year. The business of copper rods for Finolex was impacted by higher premiums on copper cathodes and lower premiums on copper rods, which lowered margins for third-party sales of copper rods. The Company restricted its third-party copper rod sales to already committed parties or contracts with acceptable margin levels.

Growth Drivers and Outlook

Being a key input for all copper-based electrical and communication cables, the demand for copper rods is expected to grow in line with the growth in C&W industry. The demand for copper rods in the electrical segment is expected to bank on to the growth of the infrastructure sector. Furthermore, the Company looks forward to benefit from selling surplus copper rods to third parties under the GST regime. The rising output of entities such as domestic and consumer appliances, transportation equipment, industrial machinery and an array of other durable goods has been leading to an increased demand for copper rods.

Others (FMEG and Home Appliances)

a. Electrical Switches, Switchgears and Lighting

Finolex strategically diversified into margin accretive FMEG segment with an aim to establish new growth avenues for the Company and reduce dependence on C&W industry. The FMEG product portfolio is comprised of lighting products, electrical switches, and low duty switchgear. Its electrical wire accessories include doorbell, extension box, spike guard, angle holders, and batten holders, among others.

The Company intends to leverage its strong brand equity, technical expertise, extensive distribution network, and competent sales team to grow FMEG segment. It continues to deepen its distribution network and nurture relationships with channel partners to increase its reach further. Additionally, it continues to focus on wining customer trust and satisfaction by supplying high-quality products.

The segment registered sales of Rs. 60.80 crores during FY 2020-21, as against Rs. 44 crores in the previous year. The increasing outreach with an ever-expanding distribution network and quality products provide positive outlook.

Fans and Water Heaters

Given the growing opportunity in the home appliances segment backed by increasing urbanization, rural electrification, and changing consumption patterns, the Company introduced fans and water heaters. The Company's products are well accepted in the market owing to attributes such as quality, performance, aesthetics, and value-for-money proposition. While the Company's strengths of brand and reach are supporting better product offtake, the Company has also after-sales service available at the customer doorstep across the country.

The Company reported a strong performance in this segment, with sales of Rs. 48.5 crores in FY 2020-21, as compared with Rs. 44 crores in the previous year.

Outlook

Despite COVID-19 led disruptions in FY 2020-21, the domestic demand for branded FMEG products is likely to remain robust. It will be driven by the government's thrust on supplying and ensuring energy supply across the nation, rising rural

disposable income levels, growing urbanization and shift to value-added branded products. Furthermore, increasing share of women workforce in the country's demography has been resulting in improving spending power, triggering demand for household appliances.

To capitalize on the rapidly growing penetration of e-commerce and digital influence, Finolex has developed an in-house dedicated online retail store. To improve its offline visibility, it has also launched exclusive retail store named 'Finolex House' and has received good traction for both e-commerce and Finolex House channels.

The Company's electrical and communication cables cater to the critical requirements of the core sectors of India such as Energy, Transportation, Real Estate, and Building Materials, among others. Recognizing the key role these industries play in achieving the holistic economic development of the country, the government continues to provide growth impetus through substantial capital outlay and pro-policy support. Finolex with its strong track record, technical expertise and business acumen stand well-poised to benefit from these strategic investments by the government.

The Company's successful entry into FMEG segment is expected to create new growth opportunities while enhancing profitability metrics as well due to the higher-margins, faster inventory churn, and lower working capital requirements in the B2C business. The growth in the FMEG business is likely to be driven by growing income levels, increasing nuclearization, rising brand and quality awareness and increasing digital and distribution penetration in the country.

It continues to upgrade its technologies, expand geographical presence, and diversify business to achieve sustainable growth moving forward. These growth objectives are well supported by its robust financial condition, management bandwidth and competent workforce.

Financial Performance

(Rs. in Crores)

PARTICULARS	STANDALONE	
	2020-21	2019-20
INCOME		
Revenue from Operations (Net)	**2,768.1**	2,877.3
Other Income	**77.0**	171.9
Total	**2,845.1**	**3,049.2**
EXPENDITURE		
Material Costs	**2,051.4**	2,083.4
Employee Benefit Expenses	**137.9**	149.5
Finance Costs	**0.8**	1.6
Depreciation, Amortization, and Impairment	**39.0**	38.9
Other Expenses	**224.0**	274.5
Total	**2,453.1**	**2,547.9**
Profit Before Tax	**392**	**501.3**
Tax Expenses:		
Current Tax	**112.6**	123.2
Deferred Tax	**(3.4)**	(24.4)
Total Tax	**109.2**	98.8
Profit After Tax	**282.8**	**402.5**
Total Other Comprehensive Income / (Expense) for the year	**33.3**	**(40.6)**
Total Comprehensive Income for the year	**316.1**	**361.9**

Revenue

The Company achieved a revenue of Rs. 2,768.1 crores as against Rs. 2,877.3 crores in the previous year, marking a de-growth of 3.8%. Other income was significantly lower due to negligible dividend income during the year as against Rs. 80 crores received in the previous year on account of an associate declaring regular and interim dividend during the previous year. This was on account of many companies declaring interim dividends during FY 2019-20 owing to the change in the taxability of dividends declared which would later be taxable in the hands of the recipients.

Costs

Material Cost: Although raw material prices increased significantly during the year, total material costs during the year decreased marginally owing to volumes and product mix.

Staff Cost: Employee expenses decreased in proportion to decrease in production activity in the first two months of the year and due to change in expenses based on manpower categories.

Other Expenses: Other expenses decreased due to lower expenditure on overheads during the lockdown period in the first quarter of the year.

Depreciation: Depreciation expenses did not see any significant change during the year.

Finance Cost: The Company remains debt-free and finance costs during the year pertain to bill discounting and other finance charges.

(Rs. in Crores)

SUMMARY OF STATEMENT OF BALANCE SHEET	2020-21	2019-20
SOURCES OF FUND:		
Shareholders' Fund	**2,950.7**	2,718.7
Non-Current Liabilities	**50.3**	54.2
Current Liabilities	**250.7**	238.9
Total	**3,251.7**	**3,011.8**
APPLICATIONS OF FUND		
Fixed Assets	**420.1**	413.8
Investments	**937.2**	725.9
Loan & Other Non-Current Assets	**60.0**	49.5
Current Assets	**1,834.4**	1822.6
Total	**3,251.7**	**3,011.8**

Capital Expenditure and Investments in JV: During the year, the Company incurred Rs. 55 crores towards capital expenditure, predominantly towards sustenance of existing capacity and product development activities. During the year, the Company invested Rs. 24.5 crores in its Joint venture.

Liquidity: The Company continued with the "cash and carry" system of sales for all retail customers during the year. For institutional & OEM customers, the Company continued with the credit period mutually agreed as per purchase order contract. The Company manages its liquidity through rigorous weekly monitoring of cash flows.

Profitability: The Company's profit before tax reduced during the year due to lower sales volumes due to reasons discussed under revenue performance and decrease in dividend income.

Credit Rating: Presently, your Company's debts have been rated by CRISIL. Details are as follows:

Agency	Long-Term Loan	Short-Term Loan
CRISIL	AA+/Stable	A1+

During the year, the Company has serviced all its debt obligations on time.

Results of Operations: The Company registered a net cash inflow of Rs. 114.3 crores from its operations as compared to Rs. 308.8 crores generated last year. Profit before tax and exceptional items stood at Rs. 392.1 crores as against Rs. 501.3 crores in last year.

Taxation: Tax outflow during the year decreased proportionately with the decrease in profit before taxation.

Cash Flow

(Rs. in Crores)

PARTICULARS	2020-21	2019-20
Profit from operations before tax	**392.1**	501.3
(Inc)/Dec in net working capital	**(160.7)**	(82.8)
Income tax paid	**(117.1)**	(109.7)
Net cash inflow from operating activities	**114.3**	308.8
Cash inflow/(outflow) from investing activities	**(859.4)**	587.2
Cash (outflow) from financing activities	**(86.3)**	(86.4)
Net cash inflow / (Outflow)	**(831.4)**	809.6

Risk Management

Finolex has deployed a comprehensive risk management framework which is responsible for identifying, assessing, monitoring, and mitigating key risks that may adversely affect the Company's operational and financial performance. The Company has instituted a Risk Management Committee which oversees the risk management framework. It ensures that risk management processes are strictly followed across all hierarchies from the top management of the Company to managers operating at various execution levels and thereby facilitates uninterrupted business operations. As an added layer of safety, the Company also appoints external advisors responsible for formulating mitigating strategies for identified risks. While the segment-specific risks have been covered under 'Business Environment for Product Segments with Outlook', key general risks have been enumerated below:

Competition Risk

Finolex operates in an industry characterized by intense competition from both organized as well as unorganized players. The Company's failure to supply differentiated products having consistently superior quality and competitive pricing may result in the loss of market share and profitability.

Mitigation

The Company's resolute focus on product innovation by leveraging its technological expertise enables it to consistently launch products that fulfil dynamic market requirements in terms of quality parameters and technical specifications. Furthermore, backed by superior control over key raw materials through backward integration, the Company is also able to sell its products at competitive prices.

With its recent foray into FMEG segment, it has become a one-stop shop solution for all electrical requirements. These attributes give a distinctive advantage to the Company vis-à-vis its competitors.

Policy Risk

The changes in government regulations, legislations, and policies pertaining to housing and infrastructure sectors may materially hamper the Company's revenues, order book and growth opportunities. Unfavourable changes in monetary policy may also result in a rise in borrowing costs significantly affecting project viability and profitability.

Mitigation

The Company's products cater to crucial requirements of diverse industries supporting housing and infrastructure development of the country. While this lowers its dependence on the individual sector, it also positions it well to take advantage of several sectorial allocations announced by the government. The Company has also diversified into FMEG segment to lower its dependence on C&W industry and continues to focus on increasing exports to reduce domestic market exposure.

Raw Material Fluctuation Risk

Fluctuations in prices of the raw materials such as copper, aluminium and fiber optics, and failure to procure these at competitive costs may significantly impact the Company's ability to supply products at competitive rates. This may lead to loss in business and market share and affect the margins of the Company.

Mitigation

The Company strives to maintain margin levels by linking product sales price to the raw material costs and thereby mitigate the impact of unforeseen price fluctuations. Long-standing relationships with key suppliers enable the Company in procuring bulk quantities at competitive rates. Furthermore, it has established an agile procurement policy by leveraging efficient production forecasting based on past and present trends enabling it to maintain adequate inventory levels at optimal costs.

Currency Fluctuation Risk

The Company exports final products and imports key raw materials from the international markets, exposing it to foreign exchange rate fluctuation risk. An adverse change in the currency exchange rate may result in lower realizations or higher production costs leading to lower profit margins.

Mitigation

The Company has a well-defined hedging policy in place and engages in appropriate forward contracts to safeguard revenue and margins from the adverse impact of currency rate fluctuations. Furthermore, the Company is actively engaged in both import and export from the international markets and thereby enjoys natural hedging to a certain extent. Further, it also undertakes long-term contracts with foreign customers and suppliers to lower currency rates risk.

Geopolitical Tensions and Global Pandemic Risk

Rising international trade barriers and political disputes between India and other countries may negatively impact the Company's exports business. A pandemic outbreak of deadly virus such as COVID-19 may disrupt all business activities, supply chains, and end-customer demand, thus inflicting severe damage to the operational and financial performance of the Company.

Mitigation

The Company conducts extensive market analysis on macroeconomic, political, social, regulatory, and profitability parameters before expanding into new geographies. It follows lean operational and cost structure while proactively monitoring cash flows to ensure low impairment risk. Furthermore, it has established a comprehensive business continuity by leveraging the deep experience of its top management team to ensure agility and resilience in the crisis period.

Internal Controls

The Company has a robust internal control system in place commensurate with the size and nature of its business. The internal control system ensures the reliability of financial information through timely and accurate recording of all financial, commercial, and operational transactions, safeguarding of assets from unauthorized use or disposition and stringent adherence to the applicable laws, regulations, and accounting standards. While the Company's internal team is responsible for continuous monitoring of these controls, it has also appointed an external team to oversee and improve the adequacy and efficacy of the control mechanism. The Company's audit committee conducts a quarterly review of audit reports submitted by the internal audit team. Key observations are discussed and communicated to the management who undertakes corrective actions to further augment the efficiency of the internal control system. The statutory auditors in the Annexure 'A' to the Independent Auditor's Report comment on the internal financial controls of the Company. The auditors have issued a clean report for the current year.

Annexure A - II

SEBI LODR COVID-19 Reporting – Impact and Risk Assessment – 2021

Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. Circular SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May, 2020.

Further to our report of the same name published in the Annual Report 2019-20 we report that:

Section A: COVID-19 and FCL:

Closure Call:

The Company had to temporarily suspend its operation for another 10 days from 14.07.2020 to 23.07.2020 owing to another lockdown in the Pimpri area, primarily affecting its Corporate Office, but continued working from home. The production, sales and marketing operations however were not hampered during this period.

Similarly, owing to the onset of the "second wave", several State Governments had declared complete or temporary lockdowns due to which business operations were impacted. While the Company's manufacturing operations remained more or less uninterrupted, there were certain states where sales and distribution activity was impacted during the months of April 2021 through June 2021.

Section B: COVID-19 Impact and Risk Assessment on FCL's Operations

No change from our earlier report.

Section C: The way forward

As mentioned earlier, factory operations continue uninterrupted and with easing of lockdown by several states, sales and distribution activities also have begun to normalise, over the last couple of weeks.

Annexure - B

Corporate Governance

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

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

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

2. BOARD OF DIRECTORS:

2.1 Constitution of the Board:

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

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

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

Category	Name of Directors
Promoter Executive Director	Mr. D. K. Chhabria, Executive Chairman
Non Promoter Executive Director	Mr. Sunil Upmanyu, Executive Director- Operations
Independent Directors	Mr. Padmanabh Ramchandra Barpande
	Mr. Avinash Shridhar Khare
	Mrs. Firoza Fredoon Kapadia
Non Independent Non-Executive Director	Mr. Prasad Marutirao Deshpande

*Mr. P G Pawar, Mr. Mahesh Viswanathan, Mr. M.L Jain and Mrs. Shruti Udeshi, Directors had offered themselves for reappointment at the AGM held on 18th September 2019. Similarly Mr. Shishir Lall, Mr. Devender Kumar Vasal, Mr. Jayaram Rajasekara Reddy, Mr. Yatin Redkar and Mrs. Kavita Bhaskar Upadhyay Directors had offered themselves for reappointment at the last AGM held on 29th September 2020. All the resolutions proposed at respective AGMs were passed by requisite majority except for the resolutions for appointment / reappointment of aforesaid Directors. It was due to two major corporate shareholders namely: Orbit Electricals Private Limited holding 30.7% and Finolex Industries Limited holding 14.5% aggregating to 45.2% of the paid up share capital of the Company who voted against each of the resolutions for their respective re-appointments. Both the aforesaid major corporate shareholders are under the management control of Mr. Prakash Chhabria one of the promoters of the Company against whom Mr. D K Chhabria, another promoter who is in management control of the Company is in dispute which explains the reasons for such negative votes being cast by those companies despite their purportedly having Independent Directors on their respective Boards. A contention has been raised that the votes cast by the aforesaid two companies was contrary to the mandate under their constitutional documents/ contractual commitments, and these are the subject matter of challenge before the Court(s) and the matter is thus sub judice. Excepting for the negative votes prejudicially cast by the aforesaid two major corporate shareholders, the other shareholders of the Company in general have voted with requisite majority in favour of the resolutions for appointment/ reappointment of the above Directors. To meet the eventualities caused by such contrary actions by the aforesaid two major corporate shareholders, the Company had to time and again, reconstitute its Board of Directors and its Committees in accordance with the provisions of :The Companies Act 2013, Rules framed thereunder and of SEBI (LODR) Regulations.

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

Every Independent Director, at the first meeting of the Board in which he/ she participates as a Director and thereafter at the first meeting of the Board in every financial year, or whenever there is any change in the circumstances which may affect his/her status as an independent director gives a declaration that he/ she meets or does not meet the criteria of independence as provided under the law.

2.2 Meetings and Attendance records:

Board meetings are held at least four times during the year coinciding with the presentation of each quarterly financial results. During the last financial year seven Board Meetings were held i.e. on 27th June 2020, 14th August 2020, 26th September 2020, 12th October 2020, 11th November 2020, 11th January 2021 and 12th February 2021.

Attendance at meetings of the Board in financial year 2020-21 and at last Annual General Meeting (AGM) held on 29th September 2020, number of other directorship, details of designation/ category and membership/ chairmanship(s) of Board Committees of each director in other companies as on the date of this report, is set out below:

Name of Director	Category	No of Meetings attended	Whether attended last AGM	No of Directorship(s)			No of Membership*** (s) of Board Committees	
				Public		Private		
				Listed	Unlisted		As Member	As Chairman
Mr. D K Chhabria	Chairman	7	Yes	-	-	4	0	0
Mr. Shishir Lall[1&2]	Non-Executive Director	3	Yes	0	0	0	0	0
Mr. Devender Kumar Vasal[2]	Non-Executive Independent Director	3	Yes	1	1	1	3	0
Mr. Jayaram Rajasekara Reddy[2]	Non-Executive Independent Director	3	Yes	0	0	0	0	0
Mr. Joel Raphael Samuel[3]	Non-Executive Director	2	No	0	0	0	0	0
Mr. Yatin Redkar[2]	Executive Director	3	Yes	0	0	1	0	0
Mrs. Kavita Bhaskar Upadhyay[2]	Non-Executive Independent Director	3	Yes	1	0	0	1	0
Mr. Sunil Upmanyu[4]	Executive Director	4	N/A	0	0	1	0	0
Mr. Padmanabh Ramchandra Barpande[5]	Non-Executive Independent Director	4	N/A	2	3	6	1	4
Mr. Avinash Shridhar Khare[6]	Non-Executive Independent Director	4	N/A	0	0	16	0	0
Mrs. Firoza Fredoon Kapadia[7]	Non-Executive Independent Director	4	N/A	0	0	0	0	0
Mr. Prasad Marutirao Deshpande[8]	Non-Executive Director	4	N/A	0	0	1	0	0

1 The status of Mr. Shishir Lall changed from Independent Director to Non-Executive Non-Independent Director w.e.f 14th August 2020.

2 Regarding status of Mr. Shishir Lall, Mr. Devender Kumar Vasal, Mr.Jayaram Rajasekara Reddy, Mr. Yatin Redkar and Mrs. Kavita Bhaskar Upadhyay Directors please see clarification given under Item 2.1 above.

3 Mr. Joel Raphael Samuel was appointed by the Board as Non-Executive Additional Director w.e.f 19th September 2019 and subsequently he resigned w.e.f 14th August 2020.

4 Mr. Sunil Upmanyu was appointed by the Board as an Executive Director-Operations w.e.f 30th September 2020. He is not a Director of any listed company and does not hold any shares in the Company.

5 Mr. Padmanabh Ramchandra Barpande was appointed by the Board as Non-Executive Independent Director w.e.f 30th September 2020. He is also an Independent Director on the Boards of following listed companies Westlife Development Limited and Privi Speciality Chemicals Limited. He does not hold any shares in the Company.

6 Mr. Avinash Shridhar Khare was appointed by the Board as Non-Executive Independent Director w.e.f 30th September 2020. He is not a Director of any other listed company and does not hold any shares in the Company

7 Mrs. Firoza Fredoon Kapadia was appointed by the Board as Non-Executive Independent Director w.e.f 30th September 2020. She is not a Director of any other listed company and does not hold any shares in the Company.

8 Mr. Prasad Marutirao Deshpande was appointed by the Board as Non-Executive Director w.e.f 30th September 2020. He is not a Director of any other listed company and does not hold any shares in the Company.

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

2.3 Remuneration to Executive Directors/CFO:

(Rs. Per Annum)

Particulars	Mr. D K Chhabria Executive Chairman	Mr. Mahesh Viswanathan CFO	Mr. Yatin Redkar Executive Director up to September 29, 2020	Mr. Sunil Upmanyu Executive Director w.e.f September 30, 2020
Salary and Allowances	10,200,000	15,128,400	2,385,496	2,673,254
Contribution to Provident and Superannuation Funds	2,703,000	2,270,520	353,072	360,450
Other Perquisites	10,200,000	480,000	95,817	206,422
Commission/Incentive – payable	*63,250,000	**15,000,000	-	-
Total	**86,353,000**	**32,878,920**	**2,834,386**	**3,240,126**

*Commission
**Incentive

Notes:

1. There was no scheme of "Employee Stock Options" during the year.
2. The above does not include contributions to group gratuity fund as the contributions/benefits are on group basis.
3. In the case of Mr. D K Chhabria and Mr. Mahesh Viswanathan, the service contracts are for a period of five years from the date of their appointment/ reappointment.

   Notice period/severance fees applicable are 180 days for Mr. D.K. Chhabria, 90 days in case of Mr. Mahesh Viswanathan and as per the terms of appointment for Mr. Yatin Redkar and Mr. Sunil Upmanyu.
4. Performance is evaluated by the Nomination and Remuneration Committee ("NRC"), which, inter alia, considers and recommends payment of commission/incentive based on the performance of the Company and contemporary practices in the industry. The recommendations of the NRC are further considered by the Board and a collective decision taken without participation of concerned interested Directors.

2.4 Remuneration to Non-Executive Directors:

Non-Executive Directors are entitled to sitting fees for attending each meeting of the Board or any Committee(s) of the Board and profit related commission. The details of payment of sitting fees and commission to Non-Executive Directors for the financial year 2020-21 are set out below:

Name of Non-Executive Director	Sitting Fees (Rs.)	Commission Payable (Rs.)	Total (Rs.)	Shareholding (in Nos. of shares) of Non-Executive Directors in the Company	Remarks
Mr. Shishir Lall[1&2]	2,75,000	5,90,000	8,65,000	Nil	
Mr. Devender Kumar Vasal[2]	2,90,000	5,90,000	8,80,000	Nil	
Mr.Jayaram Rajasekara Reddy[2]	2,15,000	5,90,000	8,05,000	Nil	
Mr.Joel Raphael Samuel[3]	1,35,000	3,93,333	5,28,333	Nil	
Mrs. Kavita Bhaskar Upadhyay[2]	1,85,000	5,90,000	7,75,000	Nil	
Mr. Padmanabh Ramchandra Barpande[4]	2,65,000	7,86,667	10,51,667	Nil	
Mr. Avinash Shridhar Khare[5]	3,25,000	7,86,667	11,11,667	Nil	
Mrs. Firoza Fredoon Kapadia[6]	3,10,000	7,86,667	10,96,667	Nil	
Mr. Prasad Marutirao Deshpande[7]	2,50,000	7,86,666	10,36,666	Nil	
Total	**22,50,000**	**59,00,000**	**81,50,000**	**Nil**	

Notes:

1 The status of Mr. Shishir Lall changed from Independent Director to Non-Executive Non-Independent Director w.e.f 14th August 2020. After his cessation as Director w.e.f 29th September 2020 the Company had paid consultancy charges of Rs. 6,60,000/- to him towards marketing consultancy services rendered by him up to 31st March 2021.

2 Regarding status of Mr. Shishir Lall, Mr.Devender Kumar Vasal, Mr.Jayaram Rajasekara Reddy, and Mrs. Kavita Bhaskar Upadhyay, Directors please see clarification given under Item 2.1 above.

3 Mr. Joel Raphael Samuel was appointed by the Board as Non-Executive Additional Director w.e.f 19th September 2019 and subsequently he resigned w.e.f 14th August 2020.

4 Mr. Padmanabh Ramchandra Barpande was appointed by the Board as Non-Executive Independent Director w.e.f 30th September 2020.

5 Mr. Avinash Shridhar Khare was appointed by the Board as Non-Executive Independent Director w.e.f 30th September 2020.

6 Mrs. Firoza Fredoon Kapadia was appointed by the Board as Non-Executive Independent Director w.e.f 30th September 2020.

7 Mr. Prasad Marutirao Deshpande was appointed by the Board as Non-Executive Director w.e.f 30th September 2020.

a) Sitting fees paid to each non-executive Director was uniform for attending each Board Meeting @Rs. 30,000/-, Audit Committee Meetings @Rs. 20,000/- and for each Meeting of all other Committees @Rs. 15,000/-.

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

2.5 Information placed before the Board:

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

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

2.6 Familiarisation Programmes:

Pursuant to regulation 25 (7) of the SEBI (LODR) Regulations, 2015 the Company holds familiarization programs and plant visits especially for the new directors whether independent or otherwise on an ongoing basis. However due to the unprecedented effects of Covid-19 pandemic such visits could not be organized during the year under review but at meetings of the Board of Directors, presentations were made for information and of the actions and major initiatives taken to fight the said pandemic.

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

2.7 Independent Director :

On the basis of the written declarations received from the Independent Directors of the Company up to the date of this report and pursuant to the recommendations of the Nomination and Remuneration Committee in this regard the Board confirms that nothing has come to the attention of the Board that, any of the Independent Directors do not fulfill the conditions specified in the Companies Act, 2013 and Rules framed thereunder (the "Act") and in SEBI (LODR) Regulations, 2015 as amended ("Listing Regulations"). All Independent Directors have confirmed that as required, their names are duly entered in the data bank of Independent Directors maintained by Indian Institute of Corporate Affairs at Manesar. Therefore in the opinion of the Board, the Independent Directors do fulfill the requisite criteria of independence given in the Act and in the Listing Regulations. All such Directors are independent of the management and of the Promoters of the Company.

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

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

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

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

3. AUDIT COMMITTEE

Constitution and Composition:

The Audit Committee was formed in February 1997 and subsequently reconstituted by the Board from time to time. Composition of the Audit Committee of members as on the date of this report is as under

Name of Director	Category
Mr. Padmanabh Ramchandra Barpande	Non- Executive Independent Director (Chairperson)
Mr. Avinash S Khare	Non- Executive Independent Director
Mrs. Firoza F Kapadia	Non- Executive Independent Director
Mr. Prasad M Deshpande	Non- Executive Non-Independent Director

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

*The Audit Committee was reconstituted in the Board Meeting held on September 26, 2020 whereby all the aforesaid members were appointed w.e.f. September 30, 2020.

Terms of reference:

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

A. The role of the audit committee shall include the following:

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

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

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

4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause(c) of sub-section (3) of Section 134 of the Companies Act, 2013;
   - Changes, if any, in accounting policies and practices and reasons for the same;
   - Major accounting entries involving estimates based on the exercise of judgment by management;
   - Significant adjustments made in the financial statements arising out of audit findings; if any
   - Compliance with listing and other legal requirements relating to financial statements;
   - Disclosure of any related party transactions;
   - Modified opinion(s) in the draft audit report;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

20. Carrying out any other function as is mentioned in the terms of reference of the audit committee

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

B. The audit committee shall mandatorily review the following information:

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

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

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

4) internal audit reports relating to internal control weaknesses;

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

6) statement of deviations:

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

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

Meetings and Attendance:

The Audit Committee has met Nine times during the financial year ending March 31, 2021, as against the minimum requirement of four meetings i.e., June 5, 2020, June 27, 2020, August 14, 2020, September 26, 2020, November 11, 2020, December 15, 2020, January 11, 2021, February 12, 2021 and March 12, 2021. The necessary quorum was present for each of the meetings of the Committee. The following table sets out the attendance of Audit Committee members:

Sr. No.	Name of the Director/ officer	Status	Category	No. of meetings attended
1	Mr. Jayaram Rajasekara Reddy@	Ex-Chairman	Independent	4 out of 4
2	Mr. Shishir Lall@	Member	Non-Executive	4 out of 4

Sr. No.	Name of the Director/ officer	Status	Category	No. of meetings attended
3	Mr. Devendra Kumar Vasal@	Member	Independent	4 out of 4
4	Ms. Kavita Upadhyay@	Member	Independent	1 out of 1
5	Mr. Padmanabh Ramchandra Barpande (w.e.f 30.09.2020)	Chairman	Independent	5 out of 5
6	Mr. Avinash S Khare (w.e.f 30.09.2020)	Member	Independent	5 out of 5
7	Mrs. Firoza F Kapadia (w.e.f 30.09.2020)	Member	Independent	5 out of 5
8	Mr. Prasad M Deshpande (w.e.f 30.09.2020)	Member	Non-Executive Non-Independent	5 out of 5

@ Regarding status of Mr. Shishir Lall, Mr. Devender Kumar Vasal, Mr. Jayaram Rajasekara Reddy, and Mrs. Kavita Bhaskar Upadhyay, Directors please see clarification given under Item 2.1 above.

The Audit Committee was reconstituted from time to time and lastly in the Board meeting held on September 26, 2020.

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

The concerned partners/representatives of the Statutory Auditors, Cost Auditors, Internal Auditors and the Executive Directors / functional heads / executives of Finance, Accounts, Costing, Secretarial and Systems Department of the Company attend relevant Audit Committee Meetings. The Statutory Auditors attended all nine meetings of the Audit Committee held in financial year ending March 31, 2021. The Cost Auditors generally attend the meetings when matters concerning Cost Audit are dealt with by the Audit Committee and they attended one meeting of the Audit Committee in financial year ending March 31, 2020.

The date of the meeting of the Committee held for considering finalization of accounts for the year ending March 31, 2021 was June 29, 2021.

The Company had filed Cost Audit Report for the FY 2019-20 in XBRL format within the time permissible, on October 23, 2020.

4. NOMINATION AND REMUNERATION COMMITTEE:

In view of the importance given by the Company to good corporate governance the Nomination and Remuneration Committee ("NRC") was constituted by the Board at its meeting held on October 21, 2000 and was reconstituted by the Board from time to time and lastly at its meeting held on September 26, 2020.

Composition of the NRC as on the date of this report is as under:

Name of Director	Category
Mrs. Firoza F Kapadia	Non-Executive Independent Director (Chairperson)
Mr. Avinash S Khare	Non-Executive Independent Director
Mr. Padmanabh Ramchandra Barpande	Non-Executive Independent Director
Mr. Prasad M Deshpande	Non-Executive Non- Independent Director

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

The Nomination and Remuneration Policy of the Company is placed on Company's website at http://www.finolex.com

Meetings and Attendance:

The Nomination and Remuneration Committee has met three times during the financial year ending March 31, 2021 i.e. June 27, 2020, August 12, 2020 and September 26, 2020. The following table sets out the attendance of Committee members:

Sr. No.	Name of the Director	Status	Category	No. of meetings attended
1	Mr. Shishir Lall@	Member	Non-Executive	3 out of 3
2	Mr. Devendra Kumar Vasal@	Member	Independent	3 out of 3
3	Mr. Joel Raphael Samuel	Member	Non-Executive	2 out of 2
4	Mrs. Kavita Upadhyay@	Member	Independent	1 out of 1
4	Mrs. Firoza F Kapadia	Chairperson	Independent	0 out of 0
5	Mr. Avinash S Khare	Member	Independent	0 out of 0
6	Mr. Padmanabh Ramchandra Barpande	Member	Independent	0 out of 0
7	Mr. Prasad M Deshpande	Member	Non-Executive	0 out of 0

@ Regarding status of Mr. Shishir Lall, Mr. Devender Kumar Vasal, and Mrs. Kavita Bhaskar Upadhyay, Directors please see clarification given under Item 2.1 above.

The Nomination and Remuneration Committee was reconstituted in the Board Meeting held on September 26, 2020 whereby Mrs. Firoza F Kapadia, Mr. Avinash S Khare, Mr. Padmanabh Ramchandra Barpande and Mr. Prasad M Deshpande were appointed as members of the Committee w.e.f September 30, 2020.

Terms of reference

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

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

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

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

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

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

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

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

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks, and
- Remuneration to Directors, key managerial personnel, senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

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

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

The criteria for evaluation of Independent Directors includes the following;

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

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

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

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

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

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

g) The degree of commitment to his responsibilities as an independent director;

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

i) Familiarity with the business model of the Company;

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

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

5. SHARE TRANSFER-CUM-STAKEHOLDERS RELATIONSHIP COMMITTEE:

Constitution and Composition*:

Composition of the Share Transfer- Cum- Stakeholders Relationship Committee of members as on the date of this report is as under:

Name of Director	Category
Mr. Avinash S Khare	Non- Executive Independent Director (Chairperson)
Mrs. Firoza F Kapadia	Non- Executive Independent Director
Mr. Deepak K Chhabria	Executive Director
Mr. Mahesh Viswanathan	Chief Financial Officer
Mr. Sunil Upmanyu	Executive Director

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

*The Share Transfer – Cum- Stakeholders Relationship Committee was reconstituted in the Board Meeting held on September 26, 2020 whereby Mr. Avinash S Khare, Mrs. Firoza F Kapadia and Mr. Sunil Upmanyu were appointed as members of the Committee.

Terms of reference

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

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

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

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

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

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

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

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

Meetings and Attendance

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

Sr. No.	Name of the Director	Status	Category	No. of meetings attended
1	Mr. D K Chhabria	Member	Executive Chairman	6 out of 6
2	Mr. Mahesh Viswanathan	Member	Chief Financial Officer	6 out of 6
3	Mr. Devender Kumar Vasal#	Ex-Chairperson	Independent	3 out of 3
4	Mrs. Kavita Upadhyay#	Member	Independent	1 out of 1
5	Mr. Avinash S Khare	Chairperson	Independent	3 out of 3
6	Mrs. Firoza F Kapadia	Member	Independent	3 out of 3
7	Mr. Sunil Upmanyu	Member	Executive	2 out of 3
8	Mr. Joel Raphael Samuel	Member	Non-Executive	2 out of 2

Regarding status of Mr. Devender Kumar Vasal and Mrs. Kavita Upadhyay Directors please see clarification given under Item 2.1 above.

Investor's complaints attended and resolved during 2020-2021:

No complaint was received from investors during the financial year 2020-2021 and no complaint was outstanding as on March 31, 2021.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Constitution and Composition

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

Composition* of the CSR Committee is as under:

Name of Director	Category	Status
Mr. Avinash S Khare	Independent Director	Chairperson
Mr. Prasad M Deshpande	Non-Executive Non Independent Director	Member
Mr. D K Chhabria	Executive Director	Member
Mr. Sunil Upmanyu	Executive Director	Member

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

*The Corporate Social Responsibility Committee was reconstituted in the Board Meeting held on September 26, 2020 whereby Mr. Avinash S Khare, Mr. Prasad M Deshpande and Mr. Sunil Upmanyu were appointed as members of the Committee.

Terms of reference

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

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

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

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

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

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

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

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

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

Meetings and Attendance

The CSR Committee has met Four times in the financial year i.e. August 12, 2020, 25th September 2020, December 15, 2020 and February 11, 2021. All the then Committee Members attended each of the said meetings.

7. RISK MANAGEMENT COMMITTEE

Constitution and Composition* as on the date of this report:

Name of Director	Category
Mr. Padmanabh Ramchandra Barpande	Non-Executive Independent Director, Chairperson
Mrs. Firoza F Kapadia	Non-Executive Independent Director
Mr. D K Chhabria	Executive Director
Mr. Mahesh Viswanathan	Chief Financial Officer (CFO)
Mr. Sunil Upmanyu	Executive Director

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

*The Risk Management Committee was reconstituted in the Board Meeting held on September 26, 2020 whereby Mr. Padmanabh Ramchandra Barpande, Mrs. Firoza F Kapadia and Mr. Sunil Upmanyu were appointed as members of the Committee w.e.f September 30, 2020.

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

Terms of reference:

The Role and responsibilities of the Committee includes the following:

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

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

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

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

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

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

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

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

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

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

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

Meetings and Attendance

The Risk Management Committee has met two times in the financial year i.e. June 25, 2020 and March 12, 2021. All the then Committee Members attended each of the said meetings.

Due to the unprecedented effects of COVID 19 pandemic the Risk Management Committee meeting though scheduled to be held on March 30, 2020 could not be held within the financial year 2019-20. Pursuant to SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/48 dated 26th March 2020 the time period for holding the said meeting was extended up to June 30, 2020 and the Company had duly conducted the said meeting on June 25, 2020.

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

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

8. GENERAL BODY MEETINGS

During the preceding three years, the Annual General Meeting (AGM) of the Company for the financial year 2017-18 and 2018-19 were held at Auto Cluster Development and Research Institute, H Block, Plot C-181, Near D' Mart, Chinchwad, Pune - 411 019. For year financial year 2019-20 due to the outbreak of Covid – 19 Pandemic, social distancing measures were pre-requisite and in terms of Ministry of Corporate Affairs ("MCA") circulars the Fifty –Second Annual General Meeting of members was held on September 29, 2020 through Video Conference/ Other Audio Visual Means.

The following dates and time when special resolutions were passed thereat, as under:

Details of AGM	Date and time of AGM	Details of special resolution(s) proposed/passed at the AGM, if any
50th AGM	September 25, 2018 at 11.30 am	a) Offer or invitation for subscription of Redeemable Non – Convertible Debentures on private placement (enabling resolution – not implemented due to then prevailing scenario of interest rates). b) Approval for related party transaction with Corning Finolex Fibre Private Limited
51st AGM	September 18, 2019 at 11.30 am	a) Re-appointment of Mr. P G Pawar as Independent Director of the Company for a second term of five consecutive years with effect from September 9, 2019** b) Offer or invitation for subscription of Redeemable Non – Convertible Debentures on private placement (enabling resolution – not implemented due to then prevailing scenario of interest rates) c) Approval for related party transaction with Corning Finolex Fibre Private Limited
52nd AGM	September 29, 2020 at 11.30 am	a) Offer or invitation for subscription of Redeemable Non – Convertible Debentures on private placement (enabling resolution – not implemented due to prevailing scenario of interest rates). b) Approval for related party transaction with Corning Finolex Fibre Private Limited

** Regarding status of Mr. P G Pawar, Director please see clarification given under Item 2.1 above.

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

9. INDEPENDENT DIRECTORS' MEETING:

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

The Independent Directors at their meeting held on June 25, 2020 and March 12, 2021, without the participation of the non-independent directors and Management, considered and evaluated the Board's performance, performance of the Chairman and other non-independent directors. The evaluation was performed taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance. The Board of Directors expressed its satisfaction with the evaluation process.

10. DISCLOSURES

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

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

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

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

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

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

g) Disclosure with respect to demat suspense account/unclaimed suspense account: At present, there are no such shares in the demat suspense account or unclaimed suspense account and accordingly there are no disclosures to be made in this regard for the financial year ended March 31, 2021.

h) The certificate from practicing Company Secretary affirming that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is duly obtained by the Company.

i) Details of total fees paid for all services on consolidated basis, to the statutory auditor and all entities in the network firm/ network entities of which the statutory auditor is part: For details please refer Note No. 31 (1) of Notes forming part of the Accounts.

j) The Company had duly informed the Stock Exchanges that the Company does not fall under the criteria of "Large Corporate Entity" as per the applicability criteria given under the SEBI circular no. SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018.

11. MEANS OF COMMUNICATIONS:

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

b) National Stock Exchange of India Limited (NSE) Electronic Application Processing System (NEAPS): NEAPS is a web based application designed by NSE

and BSE Limited (formerly Bombay Stock Exchange Limited) – Listing Centre for corporates. In addition to being uploaded on the Company's corporate website the Shareholding Pattern and Corporate Governance Report are also filed electronically on NEAPS on a quarterly basis for information of stakeholders.

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

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

12. GENERAL SHAREHOLDER INFORMATION:

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

13. CODE OF CONDUCT:

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

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

Declaration:

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

For and on behalf of the Board of Directors

Place: Pune
Dated: June 29, 2021

D.K. Chhabria
Executive Chairman

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

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

Dear Sir,

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below at the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Directors	DIN	Date of appointment as Additional Director/ Director in the Company
1.	Deepak Chhabria Kisandas	01403799	13/02/1992
2.	Padmanabh Ramchandra Barpande	00016214	30/09/2020
3.	Prasad Marutirao Deshpande	00040587	30/09/2020
4.	Sunil Upmanyu	06447016	30/09/2020
5.	Avinash Shridhar Khare	06759588	30/09/2020
6.	Firoza Fredoon Kapadia	08899561	30/09/2020

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

For **Jog Limaye & Associates**
Company Secretaries

Mandar Shrikrishna Jog
Partner
Membership No.: F9552
CP No.: 9798
UDIN: F009552C000536573
PR No. 738/2020

Place: Pune
Date: 29.06.2021

Annexure - C

CERTIFICATE OF COMPLIANCE

[Pursuant to Regulation 34(3) and Schedule V Para E of SEBI
(Listing Obligations and Disclosures requirements) Regulations, 2015]

To,
The Members of
Finolex Cables Limited
26/27, Bombay Poona Road,
Pimpri, Pune – 411018

We have examined the compliance of conditions of corporate governance by Finolex Cables Limited having CIN L31300MH1967PLC01653 (hereinafter referred to as "the Company"), for the year ended on March 31, 2021 as stipulated in Regulation 17 and 34 (4) of the Securities and Exchange Board of India (Listing Obligations and Disclosures requirements) Regulations, 2015, as amended ("Listing Regulations").

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

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

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

For **Jog Limaye & Associates**
Company Secretaries

Mandar Shrikrishna Jog
Partner
Membership No.: F9552
CP No.: 9798
UDIN: F009552C000536529
PR No 738/2020

Place: Pune
Date: 29.06.2021

Annexure - D

SECRETARIAL COMPLIANCE REPORT

of Finolex Cables Limited for the year ended March 31, 2021

To,
The Members of
Finolex Cables Limited
26/27, Bombay Poona Road,
Pimpri, Pune – 411018

We have examined:

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

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

c) website of the listed entity,

d) any other document/ filing, as may be relevant and made available to us, which has been relied upon to make this certification,

for the year ended March 31, 2021 ("Reporting period") in respect of compliance with the provisions of:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

For **Jog Limaye & Associates**
Company Secretaries

Mandar Shrikrishna Jog
Partner
Membership No.: F9552
CP No.: 9798
UDIN: F009552C000536452
PR No 738/2020

Place: Pune
Date: 29.06.2021

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

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

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

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

a. a. The Employee State Insurance Act, 1948;

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

c. Employers Liability Act, 1938;

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

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

f. Factories Act, 1948;

g. Industrial Dispute Act, 1947;

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

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

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

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

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

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

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

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

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

We further report that during the audit period-

At the Annual general meeting of the Company held on September 29, 2020, the Company passed ordinary resolutions for adoption of accounts, declaration of dividend, ratify remuneration payable to cost accountants and special resolutions for offer & invite subscription of debt securities and approval of related party transaction. The said resolutions were passed with requisite majority.

On the same day, the following resolutions were defeated-

1. ***To appoint a Director in place of Mr Shishir Lall [DIN: 00078316], who retires by rotation, and being eligible, offers himself for reappointment.***

2. ***Appointment of Mr Jayaram Rajasekara Reddy [DIN: 07838591] as Director of the Company, liable to retire by rotation.***

3. ***Appointment of Mr Yatin Yashwant Redkar [DIN: 07799478] as Director of the Company, liable to retire by rotation.***

4. ***Appointment of Mr Devender Kumar Vasal [DIN: 06858991] as Director of the Company, liable to retire by rotation.***

5. ***Appointment of Mrs Kavita Bhaskar Upadhyay [DIN: 08333952] as Director of the Company, liable to retire by rotation.***

6. ***Appointment of Mr Devender Kumar Vasal [DIN: 06858991] as an Independent Director of the Company, for a term of five consecutive years with effect from September 19, 2019.***

7. ***Appointment of Mr Jayaram Rajasekara Reddy [DIN: 07838591] as an Independent Director of the Company, for a term of five consecutive years with effect from September 19, 2019.***

8. ***Appointment of Mrs Kavita Bhaskar Upadhyay [DIN: 08333952] as an Independent Woman Director of the Company, for a term of five consecutive years with effect from February 14, 2020.***

However, the proceedings are pending in the Courts in relation to the votes casted by Orbit Electricals Private Limited (holding 30.7%) and Finolex Industries Limited (holding 14.5%) of the Company's total paid up share capital.

For **Jog Limaye & Associates**
Company Secretaries

Mandar Shrikrishna Jog
Partner
Membership No.: F9552
CP No.: 9798
UDIN: F009552C000536397
PR No 738/2020

Place: Pune
Date: 29.06.2021

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

'ANNEXURE A'

To,
The Members of
Finolex Cables Limited
26/27, Bombay Poona Road,
Pimpri, Pune – 411 018
Our Secretarial Audit Report of even date is to be read along with this letter.

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

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

For **Jog Limaye & Associates**
Company Secretaries

Mandar Shrikrishna Jog
Partner
Membership No.: F9552
CP No.: 9798
UDIN: F009552C000536397
PR No 738/2020

Place: Pune
Date: 29.06.2021

SHAREHOLDER / DEBENTUREHOLDER INFORMATION

Registered Office

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

Annual General Meeting

The 53rd Annual General Meeting ("AGM") of the Company will be held on Wednesday, September 29, 2021 at 11.30 a.m. through Video Conferencing (VC) or Other Audio Visual Means ("OAVM") for which purpose the Registered Office of the Company situated at 26-27, Mumbai – Pune Road, Pimpri, Pune – 411 018 shall be deemed to be the venue for the Meeting and the proceedings of the AGM.

Financial Calendar (Tentative):

a)	Annual General Meeting	:	September 29, 2021
b)	Results for quarter ending June 30, 2021	:	Second week of August, 2021
c)	Results for quarter ending September 30, 2021	:	Second week of November, 2021
d)	Results for quarter ending December 31, 2021	:	Second week of February, 2022
e)	Results for quarter ending March 31, 2022	:	Last week of May, 2022

Dates of Book Closure

The Company's Transfer Books will be closed from Saturday, September 18, 2021 to Wednesday, September 29, 2021 (both days inclusive) for purpose of AGM and for payment of Dividend for the year ending March 31, 2021.

Dividend Payment

The Board of Directors of the Company at its meeting held on June 29, 2021 recommended payment of Dividend @275% (i.e. Rs. 5.50 per equity share of Rs. 2/- each fully paid up) for the year ending March 31, 2021. The payment of dividend is to be approved by the members at the AGM and as on date is taxable in the hands of members.

The aforesaid Dividend, if declared at the AGM, will be paid on or before October 28, 2021 or within the time permitted under the law to those members whose names appear in the Register of Members as on the date of AGM. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership as per the details to be received from the Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose, the same being as of close of their respective hours of business on the date immediately preceding the aforesaid Book Closure period (i.e., as of Friday September 17, 2021).

Stock Exchange Listing

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

Stock Code	:	Code / Trading Symbol
Trading Symbol BSE Limited	:	500144
Trading Symbol National Stock Exchange of India Limited	:	FINCABLES-EQ

Payment of Listing Fees

Annual Listing Fee for the year 2021-22 as applicable has been paid to the Stock Exchanges (i.e., NSE and BSE) and Annual Maintenance Fees for the Calendar year 2021 has been paid by the Company to the Luxembourg Stock Exchange in respect of the GDRs listed thereon.

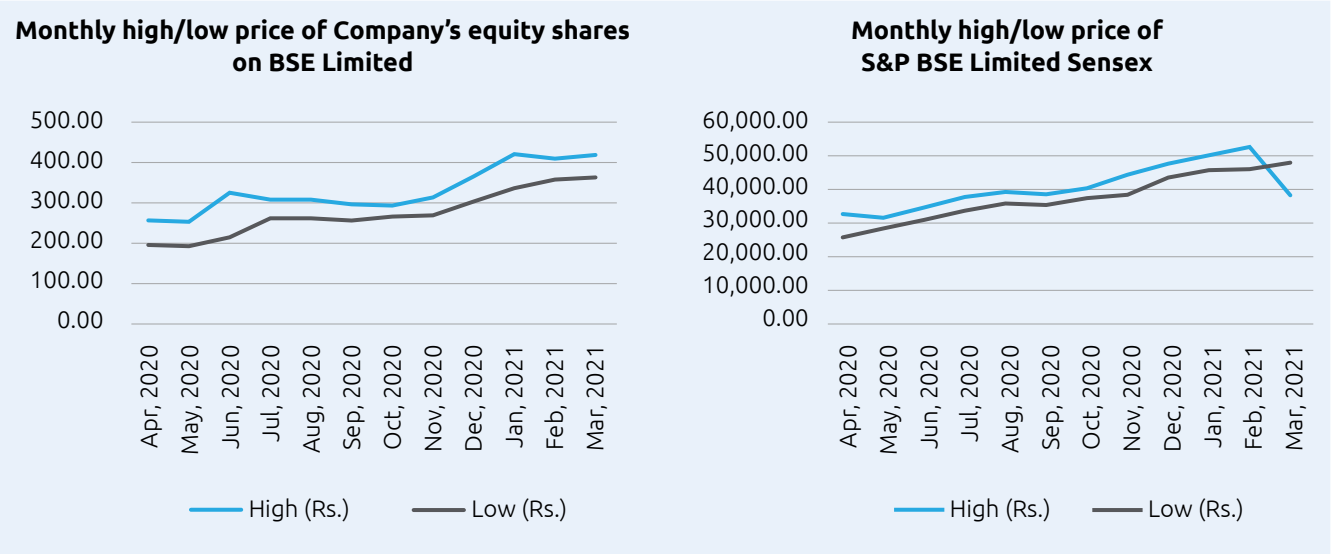
Stock Market Data

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

(Source: BSE and NSE Websites)

Period	NSE			BSE		
	High	Low	Volume Shares traded (Nos.)	High	Low	Volume Shares traded (Nos.)
April, 2020	258.50	198.10	1,117,066	259.75	195.55	52,597
May, 2020	249.70	192.00	2,249,271	256.00	192.30	66,217
June, 2020	324.90	216.25	3,290,096	329.00	215.00	264,735
July, 2020	312.45	262.25	2,355,084	311.75	262.60	184,369
August, 2020	311.40	265.00	6,170,842	312.05	262.80	553,362
September, 2020	300.00	255.50	3,313,974	300.00	257.25	235,150
October 2020	294.00	268.00	2,401,632	297.00	266.80	119,958
November, 2020	317.70	271.00	4,725,394	317.65	270.00	348,521
December, 2020	367.35	308.00	9,259,058	370.00	305.00	548,190
January, 2021	426.35	336.35	7,893,770	426.45	338.30	571,486
February, 2021	416.00	360.00	7,882,721	415.00	360.00	684,903
March, 2021	424.95	364.85	4,182,673	424.25	365.65	319,211

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



Shareholding Pattern as on March 31, 2021

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

Category			No. of shares held	Percentage Shareholding
B	**Non-Promoters holding:**			
3	Institutional Investors			
	a	Mutual Funds	27,626,250	18.06
	b	Banks and Financial Institutions including UTI	19,550	0.01
	c	Foreign Portfolio Investors	12,763,150	8.35
	d	Insurance Companies	3,983,716	2.60
		Sub Total	**44,392,666**	**29.03**
		OTHERS:		
	a	Private Corporate Bodies** including NBFCs	23,285,466	15.23
	b	Indian Public including HUFs	26,209,761	17.14
	c	NRIs/ OCBs	3,544,549	2.32
	d	Clearing Members***	107,028	0.07
	e	Any others (Custodian for GDRs)	251,500	0.16
	f	IEPF	307,205	0.20
		Sub Total	**53,705,509**	**35.12**
		Grand Total	**152,939,345**	**100.00**

* The promoters have confirmed to the Board of Directors that they have not pledged any of their shares held in the Company as at March 31, 2021 with any party / bank.

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

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

Distribution by size of Shareholding as on March 31, 2021:

No. of Equity Shares held	No. of Members	% of Members	No. of Shares	% of Shareholding
1-5000	65,261	97.82	10,414,587	6.81
5001-10000	951	1.43	3,398,107	2.22
10001 & above	501	0.75	139,126,651	90.97
Grand Total	66,713	100.00	152,939,345	100.00

Registrar and Transfer Agents

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

Share Transfer System

Share Transfer requests received in physical form and found valid are normally registered within 15 days from date of receipt and Demat requests are normally confirmed within an average of 10 days from the date of receipt. However, the Securities and Exchange Board of India ("SEBI") has vide its Press Release No. 49/2018 dated December 3, 2018 directed that with effect from December 5, 2018 except in case of transmission or transposition of securities, request for effecting transfer of securities shall not be processed unless the securities are held in dematerliased form with a depository. Subsequently, SEBI vide its Press Release No. 12/2019 dated March 27, 2019 extended the date and made the same effective from April 1, 2019.

Statistics of Members – 2019 – 2021

March 31	No. of members
2019	47,255
2020	47,732
2021	66,713

Corporate Benefits to Investors

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

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

Dividend declared during previous 10 years:

Financial Year	Date of Declaration	Face Value of Equity Share	Dividend Rate	
			Percentage (%)	Amount (Rs. per share)
2019-20	September 29, 2020	2	275	5.50
2018-19	September 18, 2019	2	225	4.50
2017-18	September 25, 2018	2	200	4.00
2016-17	September 28, 2017	2	150	3.00
2015-16	September 8, 2016	2	125	2.50
2014-15	August 10, 2015	2	90	1.80
2013-14	September 9, 2014	2	80	1.60
2012-13	June 28, 2013	2	60	1.20
2011-12	August 14, 2012	2	40	0.80
2010-11	August 8, 2011	2	35	0.70

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

Dematerialisation of Shares

The Company's equity shares are included in the list of companies whose scrips have been mandated by SEBI for settlement only in dematerialized form by all institutions and all investors. The Company had signed agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) to offer depository services to its members. As on 31st March, 2021, 99.10% (i.e., NSDL: 95.65% and CDSL: 3.45%) of the equity share capital of the Company has been dematerialized.

Annual custody fees for the financial year 2021-22 had been paid by the Company to NSDL and CDSL.

Outstanding GDRs/ DRs/ Warrants, etc.,

There are no outstanding GDRs/ DRs/ Warrants or any convertible instruments for conversion as on March 31, 2021.

Plant Locations:

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

Urse (Electrical & Communication Cables)
Taluka Maval
Dist – Pune - 410 506
Telephone No.: (02114) 230700
Email: lgs@finolex.com

Urse (Optic Fibre and Optic Fibre Cable)
Urse, Taluka Maval
Dist – Pune - 410 506
Telephone No.: (02114) 230700
Email: sunil@finolex.com

Urse (Lighting)
Plot No. 399, Village Urse Taluka Maval
Dist – Pune - 410 506
Telephone No.: (02114) 230700
Email: Binay_kumar@finolex.com

Urse (Power Cable) Gat No. 343, Village Urse, Taluka Maval, Dist-Pune-410 506 Telephone No.: (02114) 230700 Email: PB_Jaisingh@finolex.com	**Goa (Optic Fibre Cables)** Plot No. L-123/9A, Verna Industrial Estate, Verna Salcette, South Goa, Goa – 403 722 Telephone No.: (0832) 2782002/3/4 Facsimile No.: (0832) 2783909 Email: moolsingh_shekhawat@finolex.com
Goa (Electrical & Communication Cables) Plot No. 117/L-118, Verna Industrial Estate, Verna Salcette, South Goa, Goa – 403 722 Telephone Nos.: (0832) 2782002/3/4 Facsimile No.: (0832) 2783909 Email: ratnakar_barve@finolex.com	**Goa (Conduit Pipe)** Plot No. L-116, Verna Industrial Estate, Verna Salcette, South Goa, Goa – 403 722 Telephone Nos.: (0832) 2782002/3/4 Facsimile No.: (0832) 2783909 Email: ratnakar_barve@finolex.com
Goa (CCC Rod) Plot No. S263/2, Panjim-Belgaum Road, Usgaon – Tisk, Ponda, Goa – 403 406 Telephone Nos.:(0832) 2344376/8/9 Email: knarayanan@finolex.com	**Roorkee (Electrical Cables)** Plot Nos.K-1 & K-2 AIS Industrial Estate Latherdeva Hoon, Mangalaur Zebreda Road, Roorkee, Taluka Haridwar, Uttarakhand – 247 667 Telephone Nos.: (01332) 224069/224044/45 Email: pravin_ahire@finolex.com
Roorkee (Switchgears) Plot Nos.K-1 & K-2 AIS Industrial Estate Latherdeva Hoon, Mangalaur Zebreda Road, Roorkee, Taluka Haridwar, Uttarakhand – 247 667 Telephone No.: (01332) 224069/224044/45 Telefax No.: (01332) 224068 Email: pravin_ahire@finolex.com	**Roorkee (Switches)** Plot Nos.K-1 & K-2 AIS Industrial Estate Latherdeva Hoon, Mangalaur Zebreda Road, Roorkee, Taluka Haridwar, Uttarakhand – 247 667 Telephone No.: (01332) 224069/224044/45 Telefax No.: (01332) 224068 Email: pravin_ahire@finolex.com

Investor Correspondence:

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

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

Company: Secretarial Department Finolex Cables Limited 26/27 Mumbai – Pune Road, Pimpri, Pune - 411 018 Telephone Nos.: (020) 27506202/27506230/27506279 Board Nos.: (020) 27506200 / 27475963 Facsimile No.: (020) 27472239 Email: investors@finolex.com	**Share Transfer Agent:** M/s. KFin Technologies Pvt Limited Selenium Building, Tower B, Plot 31-32, Gachibowli, Financial Dist, Nanakramguda, Hyderabad, Telangana – 500 032 Telephone No.: (040) 67161630 Board No.: (040) 67162222 Facsimile No.: (040) 23420814 Email: einward.ris@kfintech.com
Contact Persons: Mr. R G D'Silva - Company Secretary & President (Legal) Mrs. Gayatri Kulkarni – Compliance Officer Mr. Mahadev H Yeske – Senior Manager – Secretarial Mr. Gitesh Karandikar – Senior Manager – Secretarial	**Contact Persons:** Mr. Ganesh Chandra Patro – Senior Manager Mr. Ramulu Peraboina - Manager Mr. Rajesh K Patro - Deputy Manager Ms. Shabari Sheshadri – Executive

Shareholder information On-line:

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

Nomination facility:

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

Members Contact Email Address:

The Government in its concern for the environment has, as part of its green initiative, vide Circular No. 17/2011 dated April 21, 2011 issued by the Ministry of Corporate Affairs, permitted companies to serve requisite documents through electronic mode on their members. The relevant provisions of Section 20, 101 and 136 of the Companies Act, 2013 (the "Act") read with the relevant Rules framed under the Act support this noble cause. Further in view of the unprecedented situation created as a result of Covid-19 Pandemic there is an urgent need for the means of communication to be by electronic mode which is quick and efficacious. Members are therefore requested to support this worthy cause and inform the Company their personal email addresses and changes, if any, therein from time to time in the format provided under Investors' Section (Blank Forms) of the Company's website http://www.finolex.com. This will also facilitate expeditious communication and social distancing norms to be followed, as specified by the Government Authorities.

ECS Facility / Bank Mandate / Details:

In order to provide protection against fraudulent encashment of dividend warrants: (a) Members holding shares in physical form are requested to furnish their Bank account number with the name of the Bank/Branch, its address (with 9-digit MICR Code) and quoting their folio number, etc. so that the Bank account details are available for payment of dividend by ECS / can be printed on the dividend warrants. (b) Members holding shares in dematerialized form may please immediately inform changes, if any, in their Bank account details (with 9-digit MICR Code) to their Depository Participant (DP) to enable the correct Bank account details to be made available to the Company by the DP for ECS / printing on the dividend warrants. In any case, members will appreciate that the Company will not be responsible for any loss arising out of fraudulently encashed dividend warrants, if any.

Debt Securities:

The SEBI vide its circular no. SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018 mandated that the 'Large Corporates' as defined under the said circular, shall raise not less than 25% of their incremental borrowings by way of issuance of debt securities, as defined under the SEBI (Issue and Listing of Debt Securities) Regulations, 2008. Non-Convertible Debentures (NCDs) issued on a private placement basis fall within the definition of debt securities as defined in the said SEBI Regulations. The Company presently is not falling under the definition of 'Large Corporate' as defined in the said SEBI Circular dated November 26, 2018.

The Company has not issued any Non-Convertible Debentures ("NCD") in Financial Year 2020-21 and no NCD is outstanding as on March 31, 2021.

Annexure - E

COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

A. Conservation of Energy:

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

(i) Main control panels of the drives provided with high/low voltage protection breakers to provide protection from single phasing and prevent damage to the control cards.

(ii) Electric control circuits of the holding furnace, launder, tundish and tap hole were separated from overall control system and housed in separate panels to facilitate quick trouble shooting and reduce machine downtime and furnace blow down.

(iii) Compressed air instrument panel of the caster relocated for quick access for trouble shooting and the imported valves in the system were replaced with Indian units locally available.

(iv) The imported pneumatic bellow in the drive clutch of mill locally developed and successfully installed and is working fine.

(v) Auto tap changer of the main transformer in the transformer yard provided with a unit to get an alarm in the control booth for tripping of the auto tap changer system to facilitate rectifying, resetting or manual correction of the voltage and prevent tripping of entire power supply.

(vi) Heater and air circulation blower provided to 33 kVA main incomer cubicle metering panel in four pole structure yard to prevent moisture over bus bars / insulation coating in cold weather and thus avoid shorting/flashing leading to main breaker tripping resulting in No power in the plant causing down time.

(vii) 11 Nos of 400w sodium vapour lamp fixtures in shop floor replaced with 120w/70w LED fixtures to save power.

(viii) Replacement of old DC Motors with new AC Motors in 150 Sheathing and 120 JR line take up to reduce power consumption.

(ix) Installed new water lines for incoming and return water line from water tank to plants and vice versa to eliminate internal leakage thus saving in energy with reduction in running of Jackwell pump.

(x) VFD drive installed on 24W Drawing machine for coolant pump supply giving substantial saving in energy during running mode as well as in inching mode of operation.

(xi) RTPFC panels are installed in various locations of the plant for improving power factor and minimization of harmonics.

(xii) Cooling tower output pipe line designed with new header system in place of individual/dedicated line to reduce power consumption.

(xiii) Centralised PVC conveying system upgraded with latest PLC in place of individual/customized old controller.

(xiv) Glue machine upgraded with separate switch for each wire size for reducing glue wastage and maintenance time.

(xv) Insulation line upgradation done for SCADA/PLC and drive for reducing breakdown hours.

(xvi) MWD line old traverse system upgraded with new latest generation S120 drive.

(xvii) Phase wise replacement of old MS pneumatic pipe line with Aluminium extruded AirNet pipe to reduce compressed air consumption.

(xviii) Worn out Extruder screw/barrel replaced for 3 LDC insulation lines to improve quality, increase line speed and save energy costs.

(xix) Motion based sensors installed in toilets and unmanned areas to save energy.

(xx) Successful trial of dome payoff for coiling line taken to replace driven payoffs to save energy costs and increase productivity.

(xxi) Printing Tape break sensors incorporated to save manpower and energy costs.

(xxii) Energy audit conducted and improved preventive maintenance of machines is done to identify and reduce energy loss.

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

B. Technology Absorption:

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

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

1. Specific areas in which the Company is pursuing R&D efforts:

   (a) Following new cables have been designed, developed and type approvals obtained/successfully launched in the market:

   (i) Developed new Tri shield RG6 Coaxial Cable having increased shielding effectiveness for use in high EMF Environments.

   (ii) Developed Control Area Network (CAN) bus cable for fast transmission of data which is widely adopted in automobile industry.

   (iii) New CCTV Cables in economy class are developed as per market requirements in new segment.

   (iv) Developing the capacity of tin plated copper conductor by installing new Niehoff Electro Tin Plating line in order to cater to requirements in Solar, Special Cables and Auto Cables.

   (v) Continuous efforts are going on for developing new types of cables to meet niche market demand.

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

3. Future plan of action:
   - To develop CAT6 FTP and CAT7 LAN cables with higher bandwidth
   - To develop Insulation and Sheathing compound suitable for solar cable application – Both ambient and E-Beam curing
   - To develop cables for EV Vehicles, charging cables and TPE Type D compound for Electrical Commercial Vehicles
   - To develop cables with thermo plastic rubber insulation for welding application
   - To develop Rubber based cables for windmill application
   - To develop FR XLPE for auto wires conforming TXL/GXL requirement
   - To develop compound for HFFR application
   - To develop welding cable compound having cross linking properties

4. Expenditure on R & D:

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

Technology Absorption, Adaptation and Innovation:

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

   (a) UV filtration system installed in STP plant to meet new statutory requirements.

   (b) New FTTH line with higher output installed to cater to increasing demand.

   (c) New FRP line with UV curing installed with higher output and energy efficiency.

   (d) New ARP rod manufacturing facility installed to meet in-house requirement of ARP rod for FTTH production lines.

   (e) Several grades of PVC compounds were reformulated to suit higher line speeds and also made environmentally friendly complying with ROHS requirements.

   (f) Continuous efforts are going on for further developing, improving and upgrading all types of cables.

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

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

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

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

C. Foreign Exchange Earnings and Outgo:

The sluggish demand in the global economic activity continued to reflect on the Company's exports which however improved modestly to Rs. 30.87 Crores as against Rs. 25.70 Crores during the previous year. Your Company is continuing its sustained efforts to retain old customers and add new customers in various export markets and to address the needs of niche markets.

i) Earnings by way of Exports : Rs. 30.87 Crores

ii) Outgo by way of Imports : Rs. 130.09 Crores

For and on behalf of the Board of Directors

Pune,
Dated : June 29, 2021

D K Chhabria
Executive Chairman

Annexure - F

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

Sr. No.	Requirements	Disclosure	
1	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	**Name of the Director**	**Ratio**
		Mr. D. K. Chhabria	216.2X
		Mr. Mahesh Viswanathan	79.0X
		Mr. Yatin Redkar	6.7X
		Mr. Sunil Upmanyu	6.7X
		Mr. Devender Kumar Vasal	1.5X
		Mr. Jayaram Rajasekara Reddy	1.5X
		Mr. Joel Raphael Samuel	1.0X
		Mr. Shishir Lall	1.5X
		Mrs. Kavita Upadhyay	1.5X
		Mr. Prasad Deshpande	2.0X
		Mr. P R Barpande	2.0X
		Mr. Avinash S Khare	2.0X
		Mrs. Firoza Kapadia	2.0X
		For this purpose, sitting fees paid to the Directors and Company's contribution to PF and Superannuation funds have not been considered as remuneration	
2	The percentage increase in remuneration of each director, Chief Financial Officer and Company Secretary in the financial year	Mr. D. K. Chhabria	0.00%
		Mr. Mahesh Viswanathan	0.00%
		Mr. Yatin Redkar	3.40%
		Mr. Sunil Upmanyu	0.00%
		Mr. R. G. D'silva	0.00%
3	The percentage increase in the median remuneration of employees in the financial year:	During FY 2020-21, the percentage increase in the median remuneration of employees as compared to previous year was approximately 11%	
4	The number of permanent employees on the rolls of company	1649 (including whole time directors)	
5	Average percentage increase already made in the salaries of the employees other than ihe managerial personnel in the last last financial year and its comparison with the percentage increase in the managerial remuneration.	No Changes to remuneration to employees were made during the year, except for 348 unionised employees, where as per the wage agreements, 7.7% annual increase was given	
6	The key parameters for any variable component of remuneration availed by the directors	- Mr. D.K. Chhabria, Executive Chairman - Mr. Mahesh Viswanathan, Chief Financial Officer are paid variable pay as per their agreement provisions. Non-Executive Directors of the Company are paid commission as approved by Shareholders in the General Meeting	
7	Affirmation, that the remuneration is as per the remuneration policy of the Company	Yes	

Note:

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

For and on behalf of the Board of Directors

Pune
Dated: June 29, 2021

D.K. Chhabria
Executive Chairman

Annexure - G

Form AOC 1

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

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

Part A – Subsidiaries: The Company has no subsidiaries

Part B – Associates and Joint Ventures

(Rs. in Crores)

Name of Associates or Joint Ventures	Finolex Industries Ltd (FIL)	Finolex J-Power Systems Private Ltd. (FJPSPL)	Corning Finolex Optical Fibre Pvt.Ltd. (CFOFPL)
	Associate	**Joint Venture**	**Joint Venture**
1. Latest audited Balance Sheet Date	March 31, 2021	March 31, 2021	March 31, 2021
2. Date on which the Associate or Joint Venture was associated or acquired	March 31,1989	May 15, 2008	September 17, 2014
3. Shares of Associates or Joint Ventures held by the company on the year end			
No. of shares	40,192,597	220,500,000	1,750,000
Amounted of Investment in Associates or Joint Ventures	151.85	220.50	1.75
Extend of Holding %	32.39%	49%	50%
4. Description of how there is significant influence	There is significant influence due to shareholding	There is significant influence due to joint control over the economic activities	
5. Reason why the Associate or Joint Venture is not consolidated	N.A.	N.A.	N.A.
6. Net-worth attributable to shareholding as per audited Balance Sheet	1016.71	91.02	13.92
7. Profit /(Loss) for the Year			
Total Profit	**737.79**	**(31.34)**	**(0.24)**
i. Considered in Consolidation	**238.97**	**(15.36)**	**(0.12)**
ii. Not Considered in Consolidation	**498.82**	**(15.98)**	**(0.12)**

For and on behalf of the Board of Directors

Place: Pune
Date: June 29, 2021

D. K. Chhabria
Executive Chairman

Annexure - H

FORM NO. AOC-2

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

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

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

   b) Nature of contracts/arrangements/transactions: NA

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

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

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

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

   g) Amount paid as advances, if any: NA

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

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

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

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

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

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

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

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

For and on behalf of the Board of Directors

Place: Pune
Date: June 29, 2021

D. K. Chhabria
Executive Chairman

Annexure - I

Annual Report on Corporate Social Responsibilities (CSR) Activities for the Financial Year 2020-21

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

2. **The Composition of CSR Committee***

Sl. No.	Name of Director	Designation / Nature of directorship	DIN	Number of meetings of CSR Committee held during the year	Number of meetings of CSR committee attended during the year**
1	Mr. Avinash S Khare	Independent Director	06759588	4	2/2
2	Mr. D K Chhabria	Executive Director	01403799	4	4
3	Mr. Sunil Upmanyu	Executive Director	06447016	4	2/2
4	Mr. Prasad M Deshpande	Non-Executive Non Independent Director	00040587	4	2/2

*The Corporate Social Responsibility Committee earlier consisted of Mr. D K Chhabria, Mr Shishir Lall, Mrs. Kavita Upadhyay and Mr. Yatin Redkar was reconstituted in the Board Meeting held on 26th September, 2020 whereby besides Mr. D K Chhabria, Mr. Avinash S Khare, Mr. Prasad M Deshpande and Mr. Sunil Upmanyu were appointed as members of the said Committee.

** The CSR Committee has met Four times in the financial year i.e. on 12th August, 2020, 25th September 2020, 15th December, 2020 and 11th February, 2021. All the then Committee Members attended each of the relevant meetings.

3. The Composition of CSR committee, CSR policy and CSR Projects approved by the board of the company has been disclosed on the website of the Company at the link https://finolex.com/

4. Details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the companies (Corporate Social Responsibility policy) Rules 2014 - **Not Applicable**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the companies (Corporate Social responsibility policy) rules, 2014 and amount required for set off for the financial year, if any - **NIL**

Sl. No.	Financial Year	Amount available for set-off from preceding financial year (in Rs.)	Amount required to be setoff for the Financial year, if any (in Rs.)
1	-	-	-

6. Average net profit of the company as per section 135(5) : **434.11 Crore**

7. (a) Two percent of average net profit of the Company as per section (5) : **8.68 Crore**

(b) Surplus arising out of the CSR projects or programs or activities of the previous financial year: **NIL**

(c) Amount required to be set off for the financial year, if any: **NIL**

(d) Total CSR obligation for the financial year (7a+7b+7c) : **8.68 Crore**

8. (a) CSR amount spent or unspent for the financial year :

Total Amount spent for the financial year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the fund	Amount	Date of transfer
9.77 crore	**NIL**	**-**	**-**	**NIL**	**-**

(b) Details of CSR amount spent against ongoing projects for the financial year: (Rs. in Crore)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/ No)	Location of the project		Project duration (Years)	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to unspent CSR account for the project as per section 135(6) (in Rs.)	Mode of Implementation – Direct (Yes/No)	Mode of Implementation – Trough Implementing Agency	
				State	District						Name	CSR Registration number
1	Harmony Medical Trust	(i)	Yes	Maharashtra	Pune	2	0.64	0.58	-	Yes	-	-
2	Missionaries of Charity, Mother Teresa's Home.	(i)	Yes	Maharashtra	Pune	3	0.20	0.02	-	Yes	-	-
3	Social Action for Manpower Creation	(i)	Yes	Maharashtra	Pune	3	0.15	0.01	-	Yes	-	-
4	Blind Organization of India	(i)	No	Maharashtra	Mumbai	2	0.07	0.04	-	Yes	-	-
5	The Blind & humanity welfare Centre	(i)	No	Maharashtra	Mumbai	2	0.03	0.01	-	Yes	-	-
6	Pawana Hospital Urse	(i)	Yes	Maharashtra	Pune	2	0.15	0.01	-	Yes	-	-
	Total							**0.67**				

(C) Details of CSR amount spent against other than ongoing projects for the financial year: (Rs. in Crore)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	**Name of the Project**	**Item from the list of activities in Schedule VII to the Act**	**Local Area (Yes/ No)**	**Location of the project**		**Amount spent for the project (in Rs.)**	**Mode of Implementation – Direct (Yes/No)**	**Mode of Implementation – Trough Implementing Agency**	
				State	**District**			**Name**	**CSR Registration number**
1	MOBILE- PAWANA HOSPITAL, URSE	(i)	Yes	Maharashtra	Pune	0.20	Yes	-	-
2	VILLAGE SCHOOL, KURSALI,ROORKEE	(ii)	Yes	Uttarakhand	Roorkee	0.10	Yes	-	-
3	STP GRAMPANCHAYAT,URSE	(x)	Yes	Maharashtra	Pune	0.12	Yes	-	-
4	MAHARAJA JAGAT SINGH MEDICAL RELIEF SOCIETY,BEAS, PUNJAB	(i)	No	Punjab	Amritsar	2.00	Yes	-	-
5	VERNA INDUSTRIES ASSOCIATION,GOA	(xii)	Yes	Goa	Verna	0.08	Yes	-	-
6	HARIBAI COWASJI JEHANGIR MEDICAL RESEARCH INSTITUTE	(i)	Yes	Maharashtra	Pune	0.50	Yes	-	-
7	COLLEGE OF ENGINEERING PUNE(COEP)	(ii)	Yes	Maharashtra	Pune	3.00	Yes	-	-
8	SAKAL INDIA FOUNDATION	(ii)	Yes	Maharashtra	Pune	0.50	Yes	-	-
9	SAKAL RELIEF FUND, PUNE	(xii)	Yes	Maharashtra	Pune	0.50	Yes	-	-
10	TALEGAON TAHSIL OFFICE, TALEGAON	(xii)	Yes	Maharashtra	Pune	0.02	Yes	-	-
11	SADHU VASWANI MISSION	(i)	Yes	Maharashtra	Pune	0.63	Yes	-	-
12	SHREE DADA MAHARAJ NATEKAR PANCHKOSHADHARIT VIDYALAYA	(ii)	Yes	Maharashtra	Pune	0.03	Yes	-	-
13	PIMPRI TRAFFIC POLICE OFFICE	(i)	Yes	Maharashtra	Pune	0.01	Yes	-	-
14	ASHWIN MEDICAL FOUNDATION	(i)	Yes	Maharashtra	Pune	0.27	Yes	-	-
15	SHREE MAHALSA NARAYANI HIGH SCHOOL	(ii)	Yes	Maharashtra	Pune	0.17	Yes	-	-
16	SARASWATI SEVA FOUNDATION	(ii)	No	Delhi	Delhi	0.22	Yes	-	-
17	SANJEEVANI SHARDA KENDRA	(ii)	No	Jammu and Kashmir	Jammu	0.26	Yes	-	-
18	DEENDAYAL BAHUUDDESHIYA PRASARAK MANDAL	(ii)	No	Maharashtra	Yawatmal	0.30	Yes	-	-
19	PRABODHAN PRAKASHAN PVT.LTD	(i)	No	Maharashtra	Mumbai	0.11	Yes	-	-
20	Dy Director Industrial Safety and Health	(i)	Yes	Maharashtra	Pune	0.03	Yes	-	-
21	Jhabreda Police Station, Roorkee	(i)	Yes	Uttarakhand	Roorkee	0.05	Yes	-	-
	Total					**9.10**			

(d) Amount spent in Administrative Overheads: **NIL**

(e) Amount spent on impact Assessment, if applicable: **NIL**

(f) Total amount spent for the financial year (8b+8c+8d+8e): **9.77 Crore**

(g) Excess amount for set off, if any

Sr. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the Company as per Section 135(5)	**8.68 Crore**
(ii)	Total Amount spent for the financial year	**9.77 Crore**
(iii)	Excess amount spent for the financial year	**1.09 Crore**
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	**NIL**
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	**1.09 Crore**

9. (a) Details of unspent CSR amount for the preceding three financial years

Sr. No.	Preceding Financial Year	Amount Transferred to unspent CSR Account under Section 135(6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per Section 135(6) if any			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
1	-	NIL	-	-	NIL	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID	Name of the Project	Financial Year in which the Project was Commenced	Project Duration (years)	Total amount allocated for the project (In Rs.)	Amount spent on the project in the reporting financial Year (in Rs.)	Cumulative amount spent at the end of reporting financial Year (in Rs.)	Status of the project – Completed/ Ongoing
1		MOBILE- PAWANA HOSPITAL, URSE	FY 2017-18	3	0.60	0.20	0.60	Completed
2		VILLAGE SCHOOL, KURSALI, ROORKI	FY 2018-19	3	0.75	0.10	0.50	Ongoing
3		SEWAGE TREATMENT PLANT (STP) AT URSE	FY 2017-18	3	0.85	0.12	0.85	Completed
4		SANJEEVANI SHARDA KENDRA	FY 2018-19	3	1.05	0.26	0.79	Ongoing
5		DEENDAYAL BAHUUDDESHIYA PRASARAK MANDAL, YAVATMAL	FY 2018-19	3	2.95	0.30	2.45	Ongoing
		Total				**0.98**		

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)

(a) Date of Creation or acquisition of the capital asset(s) **: None**

(b) Amount of CSR spent for creation or acquisition of capital asset **: NIL**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc **: Not Applicable**

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) **: Not Applicable**

11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5) **: Not Applicable**

D K Chhabria
Executive Chairman

Avinash S Khare
Chairman, CSR Committee

Annexure - J

Business Responsibility Report

Section A - General Information About The Company

Sr. No.	Particulars	Information/Details			
1	Corporate identification number	L31300MH1967PLC016531			
2	Name of the Company	Finolex Cables Ltd.			
3	Registered address	26-27 Mumbai-Pune Road, Pimpri, Pune 411 018 (India)			
4	Website	www.finolex.com			
5	Email address	sales@finolex.com			
6	Financial year reported	1st April, 2020 – 31st March, 2021			
7	Sector(s) that the Company is engaged in (industrial activity code- wise)	**Group**	**NIC Code/ Class**	**Description**	**Main Description**
		273	2731	Manufacture of fiber optic cables for data transmission or live transmission of images	Cables
		273	2732	Manufacture of other electronic and electric wires and cables	Cables
		274	2740	Manufacture of electric lighting equipment	Lighting and fixtures
		275	2750	Manufacture of domestic appliances	Electronic Consumer durables
8	Three key products/services manufactured/provided by Company (as in balance sheet)	Electrical / Communication Cables & Other Electrical products			
9	Total number of locations where business activities are undertaken by the Company	• **Registered Office - Plant:** Pimpri : 26/27, Mumbai-Pune Road26/27, Mumbai-Pune Road Pimpri,Pune-411018 • **Plant Location :** Urse : Talukal Maval Dist: Pune-410506 • **Goa:** Plot No.117/L118, Verna Industrial Estate, Verna Salcette-South Goa, Goa-403722 • **Panjim:** Belgaum Road, Usgoan- Tisk, Ponda, Goa-403406 • **Roorkee:** Plot Nos. K-1 & K-2, AIS Industrial Estate Latherdeva Hoon, Mangalaur Zebreda Road, Roorkee, Taluka Haridwar, Uttarakand- 247667			
10	Markets served by the Company	India			

Section B - Financial Details of Company

Sr. No.	Particulars	Information/Details
1	Paid up capital	Rs. 30.6 Crore
2	Total Turnover	Rs. 2,845.1 Crore (Including other non-operating income)
3	Total profit after tax	Rs. 282.9 Crore
4	Total spending on CSR as percentage of PAT	Please refer to the CSR Report
5	List of the activities in which expenditure in 4 above has been incurred	Please refer Annexure I forming part of this annual report

Section C - Other Details

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

Section D - Business Responsibility (BR) Information

1) Details of Director / Directors Responsible for BR

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

Name	Designation	DIN
Mr. D.K. Chhabria	Executive Chairman	01403799
Mr. Sunil Upmanyu	Executive Director	06447016

b) Details of BR Head

Name	Designation	DIN	Telephone number	E-mail ID
Mr. D.K.Chhabria	Executive Chairman	01403799	+91 020 27475963	sales@finolex.com
Mr. Sunil Upmanyu	Executive Director	06447016	+91 020 27475963	sales@finolex.com

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

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

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

a) Details of Compliance

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

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

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

3) Governance related to BR

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

Section E – Principle Wise Performance

Preface

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

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

Principle 1: Businesses Should Conduct and Govern Themselves with Ethics, Transparency and Accountability

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

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

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

Principle 2: Business Should Provide Goods and Servcies that Are Safe and Contibute to Sustainability throughout Their Life Cycle

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

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

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

Product Sustainability

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

Sustainable Sourcing

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

Waste Reduction

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

Principle 3: Businesses Should Promote the Well-Being of All

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

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

In the year 2020-21, FCL hired approximately 179 employees, including 163 regular employees, 16 trainees. The stable workforce is an indicator of satisfied employees thus keeping FCL embarked on a continuous process of expansion and modernization. This has enabled the Company to become one of the most diversified and largest manufacturer of electrical products in the country.

Other Details

a)	The total number of permanent employees	1649
b)	Total number of employees hired on temporary/ Contractual/casual basis	1391
c)	Total number of permanent Women employees	52
d)	Total number of permanent employees with disabilities	Nil
e)	Does the Company have an employee association that is recognized by the Management?	YES
f)	The number of complaints relating	Child Labour – Nil Forced Labour – Nil Involuntary Labour – Nil Sexual Harassment – Nil

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

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

FCL believes in continuous enhancement of skills and upkeep of its workforce to secure the overall productivity of the organization. Our approach is always focused to achieve skill upgradation. In the year 2020-21 more than 1042 employees were part of learning process through 95 training programs. We also have successfully implemented On-Job Training for 343 trainees upgrading their skills to in-line with organization's overall productivity requirements.

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

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

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

Principle 4: Business Should Respect The Interests of and be Responsive Towards All Stakeholders, Especially Those Who are Disadvantaged, Vulnerable and Marignalized.

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

Principle 5: Businesses Should Respect and Promote and Promote Human Rights

The Company is dedicated to uphold the human rights of all its internal and external stakeholders. It ensures compliance with all applicable laws pertaining to human rights. A legal compliance report is submitted to the Company's Board of Directors on a quarterly basis. There were no complaints on violation of human rights in the year 2020-21.

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

Principle 6: Business Should Respect, Protect and Make Efforts to Restore The Environment

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

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

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

During the financial Year 2020-21 there was no show-cause notice from SPCB or CPCB.

Principle 7: Business, When Engaged in Influencing Public and Regulatory Policy, Should Do So in A Responsible Manner

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

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

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

Principle 8: Business Should Support Inclusive Growth and Equitable Development

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

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

Guiding Principles

The Company believes that social investments should:

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

Our Activities

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

Principle 9: Business Should Engage with and Provide Value to Their Customers and Consumers in A Responsible Manner.

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

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

Independent Auditor's Report

To The Members of Finolex Cables Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **FINOLEX CABLES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Key Audit Matters	Auditor's Response
Impairment of Investment in joint venture: (Refer Notes 2.3 (ii), 2.23 and 5 to the standalone financial statements) As at 31 March, 2021, the Company held investment with a carrying amount of Rs. 57.74 crores (net of impairment Rs. 162.76 crores including Rs. 27.03 crores impaired during the year) in a joint venture - Finolex J-Power Systems Private Limited. This investment is carried at cost less impairment in the Company's standalone financial statements. Due to continuous losses being incurred by the joint venture, the Company's management has tested this investment for impairment in accordance with Ind AS 36 by comparing its recoverable amount with its carrying amount as at 31 March, 2021. The recoverable amount of the investment in joint venture is assessed based on future discounted cash flows of the joint venture (Enterprise Value).	**Principal Audit Procedures Performed** We obtained an understanding of the Company's policies and procedures to identify impairment indicators for investment in joint venture and performed the following procedures in relation to the Company's management impairment assessment: • We tested the design and operating effectiveness of the Company's management controls over review of the impairment assessment including those over the forecasts of future cash flows and the selection of the discount rate. • We evaluated the reasonableness of forecasts of future cash flows of the joint venture provided to us by the Company's management by comparing the forecasts to historical trend analysis. • With the assistance of our fair value specialists, we evaluated the reasonableness of the valuation methodology and discount rate by developing a range of independent estimates and comparing those to the discount rate selected by the management.

Key Audit Matters	Auditor's Response
We considered this as a key audit matter due to significant judgement involved in estimating future cash flows of the joint venture and in determining the discount rate to be used. Changes in inputs and assumptions could impact the results of the impairment assessment.	• We evaluated management's sensitivity analysis around the key assumptions such as discount rate and terminal growth rate, to ascertain the extent of change in those assumptions that would be required for the investment in joint venture to be impaired further. • We assessed the adequacy of disclosures made in the financial statements for the year ended 31 March, 2021.

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

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

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

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

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

Management's Responsibility for the Standalone Financial Statements

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for

one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

   e. On the basis of the written representations received from the directors as on 31 March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

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

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

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

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

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

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

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

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

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

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
(Partner)
Membership No. 046930
UDIN: 21046930AAAADD4443

Place: Mumbai
Date: 29 June, 2021

Annexure "A" to the Independent Auditor's Report

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

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

We have audited the internal financial controls over financial reporting of **FINOLEX CABLES LIMITED** ("the Company") as of 31 March, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial

control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2021, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
(Partner)
Membership No. 046930
UDIN: 21046930AAAADD4443

Place: Mumbai
Date: 29 June, 2021

Annexure "B" to the Independent Auditors' Report

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

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

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

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

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

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

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

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

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

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

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

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

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

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Services Tax, Cess and other material statutory dues in arrears as at 31 March, 2021, for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Wealth Tax, Sales Tax, Entry Tax, Value added tax, Customs Duty and Excise duty which have not been deposited as on 31 March, 2021 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates (Financial Year)	Amount Unpaid (Rs. in crore)
The Central Sales Tax Act and Local Sales Tax Act	Sales Tax	Sales Tax - Tribunal	1992-1993, 2003-2004 and 2012-2013 to 2014-2015	1.40
		Joint Commissioner Sales Tax (Appeal)	2006-2007 and 2015-16	1.45
		Joint Commissioner Commercial of Tax (Appeal)	2009-2010 to 2017-2018	5.57
		Deputy Commissioner of Commercial Tax	2007-2008 to 2010-2011 and 2015-2016	28.76
		Deputy Commissioner of Sales Tax	2007-2008 and 2009-2010 to 2016-2017	2.19
		Assistant Commissioner Commercial of Tax (Appeal)	2002-2003, 2004-2005, 2006-2007 to 2016-2017	80.78
Goa Entry Tax Act, 2000	Entry Tax	Assistant Commissioner Commercial of Tax (Appeal)	2005-2006, 2011-2012 and 2012-2013	4.85
Income-Tax Act, 1961	Income Tax	Hon'ble Supreme Court	2001-2002	2.81
		Hon'ble High Court	1992-1993, 1993-1994, 1994-1995, 1995-1996, 1999-2000, 2000-2001, 2001-2002, 2002-2003 and 2009-2010	18.65
		Commissioner of Income Tax (Appeal)	2012-2013 and 2015-2016	1.94
Wealth Tax Act,1957	Wealth Tax	High Court	2001-2002 to 2003-2004	0.25
Customs Act, 1962	Customs Duty	Commissioner	1999-2000	0.94
Central Excise Act,14	Excise Duty	Customs, Excise and Service Tax Appellate Tribunal	2005-2006 to 2015-2016	24.48
		Commissioner (Appeal)	2015-2016	4.01
		Additional Commissioner	2004-2005 to 2007-2008, 2009-2010 and 2015-2016	7.17

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

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

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

(xi) As more fully stated in note no. 28.1 the reappointment and remuneration of the executive directors is pending before the Hon'ble High Court. Subject to the aforesaid in our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

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

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

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

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

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

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
(Partner)
Membership No. 046930
UDIN: 21046930AAAADD4443

Place: Mumbai
Date: 29 June, 2021

Standalone Balance Sheet

as at 31st March, 2021

(Rs. In Crore)

	Note No.	As at 31st March, 2021	As at 31st March, 2020
I ASSETS			
NON CURRENT ASSETS			
(a) Property, Plant and Equipment	3	385.93	376.76
(b) Capital Work-in-Progress		25.71	27.29
(c) Intangible Assets	4	0.21	0.45
(d) Right of use asset	4A	8.29	9.32
(e) Financial Assets			
i) Investment in Associate and Joint Ventures	5	211.34	213.87
ii) Other Investments	6	216.86	265.47
iii) Loans	8	4.38	3.87
(f) Non-Current Tax Assets (net)		20.46	19.51
(g) Other Non-Current Assets	10	35.20	26.08
		908.38	**942.62**
CURRENT ASSETS			
(a) Inventories	11	755.40	593.06
(b) Financial Assets			
i) Investments	7	509.00	246.55
ii) Trade Receivables	12	176.55	187.02
iii) Cash and Cash Equivalents	13	24.60	856.02
iv) Other Bank balances	14	29.12	77.86
v) Other Financial Assets	9	778.21	55.90
(c) Other Current Assets	15	70.50	52.76
		2,343.38	**2,069.17**
TOTAL ASSETS		**3,251.76**	**3,011.79**
II EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	16	30.59	30.59
(b) Other Equity	17	2,920.12	2,688.04
		2,950.71	**2,718.63**
LIABILITIES			
NON CURRENT LIABILITIES			
(a) Financial Liabilities			
i) Borrowings	18	0.31	0.34
ii) Lease Liabilities	4A	4.18	5.23
(b) Provisions	19	11.72	12.61
(c) Deferred Tax Liabilities (Net)	20	34.10	36.06
		50.31	**54.24**
CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Trade Payables			
(a) Total Outstanding Dues of micro enterprises and small enterprises	21	15.87	5.52
(b) Total Outstanding Dues of Creditors other than micro enterprises and small enterprises	21	160.16	153.16
(ii) Lease Liabilities	4A	2.18	2.33
(iii) Other Financial Liabilities	22	4.17	3.69
(b) Other Current Liabilities	23	32.11	34.70
(c) Provisions	19	6.85	6.61
(d) Current tax Liabilities (net)		29.40	32.91
		250.74	**238.92**
		301.05	**293.16**
TOTAL EQUITY AND LIABILITIES		**3,251.76**	**3,011.79**

See accompanying notes to the Standalone Financial Statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 046930
Mumbai : 29th June, 2021

For and behalf of Board of Directors of Finolex Cables Limited

D.K. Chhabria
Executive Chairman

P.R. Barpande
Director

M. Viswanathan
Chief Financial Officer

R.G.D'Silva
Company Secretary
& President (Legal)
Pune : 29th June, 2021

Standalone Statement of Profit and Loss

for the year ended 31st March, 2021

(Rs. In Crore)

			Note No.	Year Ended 31st March, 2021	Year Ended 31st March, 2020
I	Revenue from operations		24	2,768.11	2,877.30
II	Other income		25	76.99	171.89
III	**Total income**			**2,845.10**	**3,049.19**
IV	**EXPENSES**				
	(a)	Cost of material consumed	26	2,129.91	2,026.15
	(b)	Purchase of stock-in-trade		76.24	57.17
	(c)	Changes in inventories of finished goods, stock-in-trade and work-in-progress	27	(154.71)	0.03
	(d)	Employee benefits expense	28	137.87	149.53
	(e)	Finance Costs	29	0.76	1.55
	(f)	Depreciation and amortization expenses	30	38.96	38.91
	(g)	Other Expenses	31	223.95	274.52
	Total Expenses			**2,452.98**	**2,547.86**
V	**Profit before Tax**			**392.12**	**501.33**
VI	**Tax Expense**				
	(a)	Current tax	20	112.63	123.24
	(b)	Deferred tax	20	(3.40)	(24.39)
	Total Tax			**109.23**	**98.85**
VII	**Profit for the year**			**282.89**	**402.48**
VIII	**Other Comprehensive Income / (Expense)**				
	A.	Items that will not be reclassified to profit or loss			
		(i) Re-measurement gain/ (loss) on defined benefit plans		0.66	(3.60)
		(ii) Fair value change on equity instruments		34.09	(34.84)
		(iii) Income tax relating to these items		(1.44)	(2.11)
	B.	Items that will be reclassified to profit or loss		-	-
	Total Other Comprehensive Income/(Expense) for the year			**33.31**	**(40.55)**
IX	**Total comprehensive income for the year**			**316.20**	**361.93**
X	**Earnings per equity share of face value of Rs. 2 each**				
	(i)	Basic	37	18.50	26.32
	(ii)	Diluted	37	18.50	26.32

See accompanying notes to the Standalone Financial Statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 046930
Mumbai : 29th June, 2021

For and behalf of Board of Directors of Finolex Cables Limited

D.K. Chhabria
Executive Chairman

P.R. Barpande
Director

M. Viswanathan
Chief Financial Officer

R.G.D'Silva
Company Secretary
& President (Legal)
Pune : 29th June, 2021

Statement of Standalone Cash Flows

for the year ended 31st March, 2021

(Rs. In Crore)

Particulars	Year Ended 31st March, 2021		Year Ended 31st March, 2020	
A. Cash Flows from Operating Activities				
Profit before tax for the year		**392.12**		**501.33**
Adjustments for :				
Finance costs	0.76		1.55	
Interest income on financial assets carried at amortised cost	(51.61)		(9.04)	
Dividend income	(0.24)		(80.96)	
Net gain/(loss) on investments classified at FVTPL	(21.38)		(73.68)	
Allowances for doubtful debts	0.49		5.82	
Allowances for doubtful advances	1.16		-	
Depreciation and amortisation expenses	38.96		38.91	
Impairment of financial assets -Investment in joint venture	27.03		35.10	
Loss/(gain) on disposal of property, plant and equipment	0.03		0.08	
		(4.80)		**(82.22)**
		387.32		**419.11**
Working Capital Adjustments				
Adjustments for (increase) / decrease in operating assets:				
Trade Receivables	9.98		18.04	
Inventories	(162.34)		(5.86)	
Other Current Assets	(18.90)		23.98	
Other current financial assets	(0.03)		0.13	
Other non-current assets	0.96		0.09	
Loans - non-current	(0.51)		(0.05)	
		(170.84)		**36.33**
		216.48		**455.44**
Adjustments for increase / (decrease) in operating liabilities:				
Trade Payables	17.35		(49.60)	
Long term / short term provisions	0.01		0.38	
Other current liabilities	(2.59)		12.24	
Other current financial liabilities	0.21		0.06	
		14.98		**(36.92)**
Cash generated from operations		231.46		418.52
Income tax paid		(117.09)		(109.72)
Net cash generated from Operating Activities		**114.37**		**308.80**

Statement of Standalone Cash Flows

for the year ended 31st March, 2021

(Rs. In Crore)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
B. Cash Flows from Investing Activities		
Dividend received	0.24	80.96
Deposits and bank balances not considered as cash and cash equivalents	(651.26)	(125.22)
Interest received - Others	29.32	3.50
Purchase of investments in mutual funds	(2,884.50)	(2,823.99)
Proceeds from sale of investments in mutual funds	2,726.13	3,527.08
Purchase of investment in joint venture	(24.50)	(43.36)
Purchase of property, plant and equipment	(54.91)	(32.33)
Proceeds from disposal of property, plant and equipment	0.02	0.62
Net cash (used in)/generated from Investing Activities	**(859.46)**	**587.26**
C. Cash Flows from Financing Activities		
Other long term borrowings repaid	(0.04)	(0.17)
Dividends paid	(83.84)	(68.38)
Dividend tax paid	-	(14.15)
Interest and other borrowing costs	(0.03)	(0.67)
Repayment of lease liabilities :		
Principal	(1.69)	(2.17)
Interest	(0.73)	(0.88)
Net cash (used in) Financing Activities	**(86.33)**	**(86.42)**
Net (decrease)/increase in Cash and Cash Equivalents	**(831.42)**	**809.64**
Cash and Cash Equivalents as at 1st April (Opening balance)	**856.02**	**46.38**
Cash and Cash Equivalents as at 31st March (Closing balance)	**24.60**	**856.02**

Notes:

1 Cash and Cash Equivalents include:

(Rs. In Crore)

	As at 31st March, 2021	As at 31st March, 2020
(a) Cash on hand	**0.02**	0.02
(b) Balances with banks		
In current accounts	**24.58**	31.00
Deposits with original maturity of less than three months	**-**	825.00
Cash and Cash Equivalents	**24.60**	**856.02**

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 046930
Mumbai : 29th June, 2021

For and behalf of Board of Directors of Finolex Cables Limited

D.K. Chhabria
Executive Chairman

P.R. Barpande
Director

M. Viswanathan
Chief Financial Officer

R.G.D'Silva
Company Secretary
& President (Legal)
Pune : 29th June, 2021

Standalone Statement of Changes in Equity

for the year ended 31st March, 2021

A) Equity Share Capital

(Rs. In Crore)

	No. of shares	Amount
Balance as at 31st March, 2019	152,939,345	30.59
Issued during the year	-	-
Balance as at 31st March, 2020	152,939,345	30.59
Issued during the year	-	-
Balance as at 31st March, 2021	**152,939,345**	**30.59**

B) Other Equity

(Rs. In Crore)

Description	Reserve and surplus					Item of Other Comprehensive Income	
	Securities Premium	Capital Reserve	General Reserve	Share buyback Reserve	Retained Earnings	Equity Instrument through Other Comprehensive Income	Total
Balance as at 1st April, 2019	**109.10**	**8.41**	**552.36**	**5.52**	**1,650.27**	**83.42**	**2,409.08**
Profit for the year	-	-	-	-	402.48	-	402.48
Other Comprehensive Income/ (Expense) for the year (Net of Tax)	-	-	-	-	(2.69)	(37.86)	(40.55)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**399.79**	**(37.86)**	**361.93**
Dividend Paid	-	-	-	-	(68.82)	-	(68.82)
Dividend Distribution Tax	-	-	-	-	(14.15)	-	(14.15)
Balance as at 31st March, 2020	**109.10**	**8.41**	**552.36**	**5.52**	**1,967.09**	**45.56**	**2,688.04**
Balance as at 1st April, 2020	109.10	8.41	552.36	5.52	1,967.09	45.56	2,688.04
Profit for the year	-	-	-	-	282.89	-	282.89
Other Comprehensive Income/ (Expense) for the year (Net of Tax)	-	-	-	-	0.49	32.82	33.31
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**283.38**	**32.82**	**316.20**
Dividend Paid	-	-	-	-	(84.12)	-	(84.12)
Balance as at 31st March, 2021	**109.10**	**8.41**	**552.36**	**5.52**	**2,166.35**	**78.38**	**2,920.12**

See accompanying notes to the Standalone Financial Statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 046930
Mumbai : 29th June, 2021

For and behalf of Board of Directors of Finolex Cables Limited

D.K. Chhabria
Executive Chairman

P.R. Barpande
Director

M. Viswanathan
Chief Financial Officer

R.G.D'Silva
Company Secretary
& President (Legal)
Pune : 29th June, 2021

Notes to the Standalone Financial Statements

1. Corporate information

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

These standalone financial statements for the year ended 31st March, 2021 were approved for issue by the Board of Directors in accordance with their resolution dated 29th June, 2021.

2. Summary of Significant Accounting Policies

2.1 Basis of preparation & presentation and statement of compliance

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

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

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

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

2.2 Use of estimates and judgements

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

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

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

2.3 Critical accounting estimates

i) Property, plant and equipment

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

ii) Impairment of Investments

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

iii) Provisions

Provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. The policy for the same has been explained under Note 2.16.

Notes to the Standalone Financial Statements

iv) **Fair value measurement of financial instruments**

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

2.4 Current and non-current classification

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is treated as current when it is:

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

The Company classifies all other liabilities as non-current.

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

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

2.5 Revenue recognition

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

The effect on adoption of Ind-AS 115 was insignificant.

Sale of goods

Revenue from the sale of goods is recognized at point in time when control of the goods is transferred to the customer, usually on delivery of the goods, customer acceptance and other indicators of transfer of control of goods to the customer. Revenue from sale of goods is measured at an amount that reflects the consideration ("transaction price") expected to be received in exchange for those goods.

Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividends

Revenue is recognized when the Company's right to receive the dividend is established, which is generally when shareholders approve the dividend.

2.6 Foreign Currencies

The Functional Currency of the company is in the Indian rupee. Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Realized gains and losses as well as exchange differences arising on translation (at year end exchange rates) of monetary assets and monetary liabilities

Notes to the Standalone Financial Statements

outstanding at the end of the year are recognised in the statement of Profit and Loss.

Non-monetary assets and liabilities that all are measured in terms of historical cost in foreign currencies are not retranslated.

2.7 Government Grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grant will be received. Government grants relating to income are determined and recognised in the statement of profit and loss over the period necessary to match them with the cost that they are intended to compensate and presented within other income. Government grants relating to the purchase of property, plant and equipment are reduced from the cost of the assets. The benefit of a Government loan at a below market rate of interest is treated as a Government grant, measured as the difference between proceeds received and the fair value of loan based on prevailing market interest rates.

2.8 Employee Benefits

2.8.1 Defined contribution plans

(a) Provident Fund

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or reduction in the future payments is available.

(b) Superannuation

Superannuation fund, which are defined contribution schemes, are charged to the Statement of Profit and Loss on accrual basis. The Company has no further obligations for future superannuation fund benefits other than its annual contributions.

(c) Employees state insurance scheme (ESIC)

The company pays ESIC contribution to Employee State Insurance Corporation of India as per ESIC Act 1948. The Company has no further obligations other than its monthly contributions.

2.8.2 Defined benefits plans (Gratuity)

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans. A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

2.8.3 Compensated absences

The Company provides for the compensated absences subject to Company's certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment or availment. The liability is provided based on the number of days of un-availed leave at each Balance Sheet date on the basis of an independent actuarial valuation using the Projected Unit Credit method.

Notes to the Standalone Financial Statements

The liability which is not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised based on actuarial valuation as at the Balance Sheet date. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss in the period in which they occur.

2.9 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (2.23) Impairment of assets.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets

Notes to the Standalone Financial Statements

are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.10 Income Taxes

Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India where it generates taxable income, Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Taxes

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

For operations carried out under tax holiday period (80IA benefits of Income Tax Act, 1961), deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

2.11 Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use and for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Depreciation commences when the assets are ready for their intended use. Freehold land and Assets held for sale are not depreciated.

Depreciation is provided for property, plant and equipment so as to expense the cost less residual value over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual value are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

Notes to the Standalone Financial Statements

Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

The estimated useful lives in respect of Property, plant and equipment are mentioned below:

Asset Class	Useful Life Adopted (Years)	Useful Life as per Schedule –II (Years)
Plant & Machinery	10 to 25*	15
Solar Plant	25	NA
Buildings-Factory	30	30
Buildings-Others	60	60
Furniture &Fittings	10	10
Office Equipment's	5	5
Computers & Peripherals	3 to 6	3 to 6
Vehicles	8	8
Dies &Moulds	6*	8

*As evaluated by internal technical personnel

2.12 Intangible Assets

Intangible assets acquired separately are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the statement of profit or loss in the period in which the expenditure is incurred.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

The amortization policy applied to the Company's intangible assets to the extent of depreciable amount is, as follows:

Particular	Amortisation
Computer Software	Over a period of 5 years

2.13 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurred in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.14 Assets Held For Sale

Non-current assets held for sale are measured at the lower of their carrying value and fair value of the assets less costs to sale. Assets and liabilities classified as held for sale are presented separately in the balance sheet. Property, plant and equipment once classified as held for sale are not depreciated/ amortised.

2.15 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of inventories is determined on weighted average. Cost for this purpose includes cost of direct materials, direct labour, appropriate share of overheads. Net realisable value represents the estimated selling price in the ordinary course of business less all estimated costs of completion and estimated costs necessary to make the sale.

Obsolete, defective, unserviceable and slow / non-moving stocks are duly provided for and valued at net realisable value.

2.16 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Notes to the Standalone Financial Statements

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Warranty Provisions

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the Company's best estimate of the expenditure required to settle the Company's obligation.

2.17 Financial Assets and Financial Liabilities

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

2.18 Financial Assets

All regular way purchases or sales of financial assets are recognised and de-recognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.18.1 Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.18.2 Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

2.18.3 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Notes to the Standalone Financial Statements

2.18.4 Investment in Joint Ventures and Associate

Investment in joint Ventures and Associate are measured and stated at cost less impairment as per Ind AS 27 - Separate Financial Statements.

2.18.5 Impairment of financial assets (other than financial assets at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes life time expected losses for all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

2.19 Financial liabilities and equity instruments

2.19.1 Classification as debt or equity

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.19.2 Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognized in statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.19.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

2.20 Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately.

2.21 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.22 Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

2.23 Impairment of assets

Assets are tested for impairment whenever changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the

Notes to the Standalone Financial Statements

higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lower levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversals of the impairment at the end of each reporting period.

2.24 Recent pronouncements

On 24th March, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1st April, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Notes to the Standalone Financial Statements

Note 3 : Property, Plant and Equipment

(Rs. In Crore)

	Land	Lease hold Land	Buildings @	Plant and equipment	Furniture & Fittings	Office Equipment	Computers, Peripherals	Vehicles	Total
Cost									
Balance as at 1st April, 2020	36.29	15.30	169.62	357.24	2.66	3.39	3.17	3.90	591.57
Additions	0.08	-	22.17	23.38	0.09	0.07	0.58	-	46.37
(Disposals)	-	-	-	(0.05)	-	-	(0.02)	(0.36)	(0.43)
Balance as at 31st March, 2021	**36.37**	**15.30**	**191.79**	**380.57**	**2.75**	**3.46**	**3.73**	**3.54**	**637.51**
Accumulated Depreciation & Impairment									
Balance as at 1st April, 2020	-	0.85	33.72	173.45	1.24	2.23	1.63	1.69	214.81
Depreciation expense for the year	-	0.16	6.65	28.64	0.18	0.30	0.59	0.63	37.15
(Disposals)	-	-	-	(0.03)	-	-	(0.01)	(0.34)	(0.38)
Balance as at 31st March, 2021	**-**	**1.01**	**40.37**	**202.06**	**1.42**	**2.53**	**2.21**	**1.98**	**251.58**
Net Carrying Amount as at 31st March, 2021	**36.37**	**14.29**	**151.42**	**178.51**	**1.33**	**0.93**	**1.52**	**1.56**	**385.93**

(Rs. In Crore)

	Land	Lease hold Land	Buildings @	Plant and equipment	Furniture & Fittings	Office Equipment	Computers, Peripherals	Vehicles	Total
Cost									
Balance as at 1st April, 2019	35.06	15.30	169.46	348.17	2.39	3.33	2.91	3.99	580.61
Additions	1.23	-	0.16	9.79	0.27	0.06	0.45	0.21	12.17
(Disposals)	-	-	-	(0.72)	-	-	(0.19)	(0.30)	(1.21)
Balance as at 31st March, 2020	**36.29**	**15.30**	**169.62**	**357.24**	**2.66**	**3.39**	**3.17**	**3.90**	**591.57**
Accumulated Depreciation & Impairment									
Balance as at 1st April, 2019	-	0.66	27.10	143.92	1.03	1.90	1.20	1.30	177.11
Depreciation expense for the year	-	0.19	6.62	29.58	0.21	0.33	0.61	0.67	38.21
(Disposals)	-	-	-	(0.05)	-	-	(0.18)	(0.28)	(0.51)
Balance as at 31st March, 2020	**-**	**0.85**	**33.72**	**173.45**	**1.24**	**2.23**	**1.63**	**1.69**	**214.81**
Net Carrying Amount as at 31st March, 2020	**36.29**	**14.45**	**135.90**	**183.79**	**1.42**	**1.16**	**1.54**	**2.21**	**376.76**

Note: @ Building include Rs. * crore being cost of ordinary shares in co-operative housing societies.

* Denotes amount less than Rs. 50,000

Note 4 : Intangible Assets

(Rs. In Crore)

	Computer Software $
Cost	
Balance as at 1st April, 2020	**1.54**
Additions	0.04
(Disposals)	-
Balance as at 31st March, 2021	**1.58**
Accumulated Amortisation & Impairment	
Balance as at 1st April, 2020	**1.09**
Amortisation expenses for the year	0.28
(Disposals)	-
Balance as at 31st March, 2021	**1.37**
Net Carrying Amount as at 31st March, 2021	**0.21**

Notes to the Standalone Financial Statements

(Rs. In Crore)

	Computer Software $
Cost	
Balance as at 1st April, 2019	**1.51**
Additions	0.03
(Disposals)	-
Balance as at 31st March, 2020	**1.54**
Accumulated Amortisation & Impairment	
Balance as at 1st April, 2019	**0.80**
Amortisation expenses for the year	0.29
(Disposals)	-
Balance as at 31st March, 2020	**1.09**
Net Carrying Amount as at 31st March, 2020	**0.45**

Note : $ Other than internally generated intangible assets

Note 4 A : Right of use asset

(Rs. In Crore)

Cost	
Balance as at 1st April, 2020	**9.73**
Addition- on account of adoption of Ind AS 116	0.98
(Disposals)	(0.51)
Balance as at 31st March, 2021	**10.20**
Accumulated Amortisation & Impairment	
Balance as at 1st April, 2020	**0.41**
Amortisation expenses for the year	1.52
(Disposals)	(0.02)
Balance as at 31st March, 2021	**1.91**
Net Carrying Amount as at 31st March, 2021	**8.29**
Cost	
Balance as at 1st April, 2019	**-**
Addition- on account of adoption of Ind AS 116	9.73
(Disposals)	-
Balance as at 31st March, 2020	**9.73**
Accumulated Amortisation & Impairment	
Balance as at 1st April, 2019	**-**
Amortisation expenses for the year	0.41
(Disposals)	-
Balance as at 31st March, 2020	**0.41**
Net Carrying Amount as at 31st March, 2020	**9.32**

Notes to the Standalone Financial Statements

(Rs. In Crore)

Set out below are the carrying amounts of lease liabilities movements during the year	
As at 1st April, 2020	**7.56**
Additions during the year	0.98
Deduction during the year	(0.49)
Accretion of interest	0.73
Payments	(2.42)
As at 31st March, 2021	**6.36**
Current	2.18
Non-current	4.18
The effective interest rate for lease liabilities is 9.05%	
The following are the amounts recognised in the statement of profit and loss:	
Depreciation expense of right-of-use assets	1.52
Interest expense on lease liabilities	0.73
Expense relating to short-term leases	-
Expense relating to leases of low-value assets	-
Total amount recognised in the statement of profit and loss	2.25
Set out below are the carrying amounts of lease liabilities movements during the year	
As at 1st April, 2019	**-**
Additions- on account of adoption of Ind AS 116	9.73
Accretion of interest	0.88
Payments	(3.05)
As at 31st March, 2020	**7.56**
Current	2.33
Non-current	5.23
The effective interest rate for lease liabilities is 9.05%	
The following are the amounts recognised in the statement of profit and loss:	
Depreciation expense of right-of-use assets	0.41
Interest expense on lease liabilities	0.88
Expense relating to short-term leases	-
Expense relating to leases of low-value assets	-
Total amount recognised in the statement of profit and loss	1.29

Notes to the Standalone Financial Statements

Note 5 : Investment in Associates & Joint Ventures- Non-Current

Measured at cost

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
	(i) Equity shares Quoted		
40,192,597	Equity Shares of Rs. 10 each fully paid in Finolex Industries Limited (Previous Year 40,192,597) (Refer note 5.3)	151.85	151.85
	(ii) Equity shares Unquoted		
220,500,000	Equity Shares of Rs.10 each fully paid in Finolex J-Power Systems Private Limited (Previous Year 196,000,000)	220.50	196.00
-	Less: Provision for Impairment in value of Investments (Refer note 5.2)	(162.76)	(135.73)
1,750,000	Equity Shares of Rs.10 each fully paid in Corning Finolex Optical Fibre Private Limited (Previous Year 1,750,000) (Refer note 5.4)	1.75	1.75
	Total	**211.34**	**213.87**
	Aggregate carrying value of Quoted Investment	**151.85**	**151.85**
	Aggregate market Value of Quoted Investment	**2,560.27**	**1,570.32**
	Aggregate carrying value of Unquoted Investment	**222.25**	**197.75**
	Aggregate value of impairment in value of assets	**(162.76)**	**(135.73)**
	Aggregate carrying value of Unquoted Investment net of impairment	**59.49**	**62.02**

Note 5.1 : Disclosure as per Ind-AS 27

	Name of investees.	The principal place of business and country of incorporation	Proportion of the ownership interest and proportion of the voting rights
(I)	**Associate**		
	Finolex Industries Limited	India	**32.39%**
(II)	**Joint Ventures**		
	Finolex J-Power Systems Private Limited	India	**49.00%**
	Corning Finolex Optical Fibre Private Limited	India	**50.00%**

Note 5.2 : Disclosure as per Ind-AS 36, on Impairment of Investments in Joint Ventures

The Company's investment in Finolex J Power Systems Private Ltd, (FJPS) is long term and strategic in nature. FJPS is engaged in manufacturing and sale of extra high voltage power cables. The operations of FJPS continued to be adversely impacted by economic slowdown and has continued to incur losses, resulting in its net worth being partially eroded. The management expects improvement in operations of FJPS upon revival of the economic environment and along with the Joint Venture partner, continues to support FJPS operations by infusion of equity as required.

Considering above, the Company had in accordance with Ind AS - 36 "Impairment of Assets" carried out impairment assessment of its investment in FJPS by comparing its recoverable amount (enterprise value) with its carrying amount as at 31st March, 2021.

The recoverable amount of the investment in FJPS is assessed based on future discounted cash flows of FJPS (enterprise value).

During the year the company had recorded further impairment of Rs. 27.03 crores (previous year Rs. 35.1 crores) leading to a total impairment Rs. 162.76 crores upto 31st March, 2021.

Key assumptions used for value in use to determine the recoverable value are:

1- Discount rate - Weighted Average Cost of Capital (WACC) - 18% (Previous year 16%)

2- Terminal growth rate 5% (Previous year 4%)

Note 5.3: Finolex Industries Limited

The members of the Company through Postal Ballot dated 26th March 2021 have accorded approval for Sub-division of Equity Shares of Finolex Industries Limited from face value of Rs. 10/- (Rupees Ten Only) each to face value of Rs. 2/- (Rupees Two Only) each from record date i.e 16th April 2021. Accordingly, the number of shares will increase from 40,192,597 to 200,962,985 and face value will reduce from Rs. 10 per share to Rs. 2 per share from 16th April 2021.

Notes to the Standalone Financial Statements

Note 6 : Other Investments - Non-Current

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
a)	**Investments at fair value through Other Comprehensive Income (FVTOCI) (fully paid)**		
	i) Equity shares- Quoted		
61,000	Equity Shares of Rs. 2 each fully paid in Bharat Forge Limited (Previous Year 61,000)	3.64	1.43
358,500	Equity Shares of Rs. 10 each fully paid in IndusInd Bank Limited (Previous Year 358,500)	34.20	12.59
168,750	Equity Shares of Rs.5 each fully paid in BF Utilities Limited (Previous Year 168,750)	4.16	2.43
168,750	Equity Shares of Rs.5 each fully paid in BF Investment Limited (Previous Year 168,750)	4.67	3.86
300	Equity Shares of Rs. 10 each fully paid in Delton Cables Limited (Previous Year 300)	*	*
25,096	Equity Shares of Rs. 2 each fully paid in ICICI Bank Limited (Previous Year 25,096)	1.46	0.81
200,000	Equity Shares of Rs. 5 each fully paid in Kirloskar Ferrous Limited (Previous Year 200,000)	3.29	0.86
100	Equity Shares of Rs. 2 each fully paid in Nicco Corporation (Previous Year 100)	*	*
100	Equity Shares of Re. 1 each fully paid in Usha Martin Education & Solutions Limited (Previous Year 100)	*	*
100	Equity Shares of Rs. 10 each fully paid in Sterlite Power Transmission Limited (Previous Year 100)	*	*
	Total Equity shares - Quoted (i)	**51.42**	**21.98**
	ii) Equity shares Unquoted		
1,000,000	Equity Shares of Rs. 10 each fully paid in Finolex Plasson Industries Pvt Limited (Previous Year 1,000,000)	30.67	29.38
1,000	Equity shares of Rs.10 each fully paid up in the Saraswat Co-op Bank Ltd.(Previous year 1,000)	*	*
967,700	Equity Shares of Rs. 10 each fully paid in SICOM India Limited (Previous Year 967,700)	8.04	8.48
5,373,938	Equity Shares of Rs.10 each fully paid in Finolex Infrastructure Limited (Previous Year 5,373,938)	12.38	8.58
	Total Equity shares -Unquoted (ii)	**51.09**	**46.44**
	Total FVTOCI Investments (i+ii)	**102.51**	**68.42**

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
b)	**Investments at fair value through Profit & Loss (FVTPL)**		
	Investment in Fixed Maturity Plan - Unquoted		
5,000,000	Units of Rs. 10 each of Axis Fixed Term Plan Series 102 (1,133 Days) - Growth (Previous Year 5,000,000)	6.02	5.55
-	Units of Rs.10 each of Franklin India Fixed Maturity Plan-Series 2 Plan A (1,224 Days) - Growth (Previous Year 10,000,000)	-	11.82

Notes to the Standalone Financial Statements

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
5,000,000	Units of Rs. 10 each of Franklin India Fixed Maturity Plan-Series 6 Plan C (1,169 Days) - Growth (Previous Year 5,000,000)	6.02	5.52
5,000,000	Units of Rs.10 each of HDFC FMP - (1,133 Days) - Feb 2019 (1) - Regular -Growth-Series 44 (Previous Year 5,000,000)	6.01	5.53
5,000,000	Units of Rs.10 each of HDFC FMP - (1,126 Days) - Mar 2019 (1) - Regular -Growth-Series 44 (Previous Year 5,000,000)	6.00	5.51
-	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series OX (1,234 Days)-Growth-Regular Plan (Previous Year 10,000,000)	-	11.87
-	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PB (1,190 Days)-Growth-Regular Plan (Previous Year 2,500,000)	-	2.96
-	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PD (1,177 Days)-Growth-Regular Plan (Previous Year 2,500,000)	-	2.96
-	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PE (1,159 Days)-Growth-Regular Plan (Previous Year 2,500,000)	-	2.95
-	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PH (1,143 Days)-Growth-Regular Plan (Previous Year 2,500,000)	-	2.95
10,000,000	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series SI (1,141 Days)-Regular -Growth (Previous Year 10,000,000)	12.08	11.11
5,000,000	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series SJ (1,135 Days)-Regular -Growth (Previous Year 5,000,000)	6.02	5.54
-	Units of Rs. 10 each of ICICI Prudential Fixed Maturity Plan-Series 82 - (1,185 Days) Plan M Cumulative (Previous Year 2,500,000)	-	2.96
-	Units of Rs. 10 each of ICICI Fixed Maturity Plan Series 82-(1,236 Days)- Plan A Cumulative (Previous Year 5,000,000)	-	5.96
10,000,000	Units of Rs. 10 each of ICICI Fixed Maturity Plan Series 85 - (1,156 Days) -Plan G Cumulative (Previous Year 10,000,000)	12.10	11.12
10,000,000	Units of Rs. 10 each of Kotak FMP Series 263 -Growth (Regular Plan) (Previous Year 10,000,000)	12.01	11.11
10,000,000	Units of Rs. 10 each of Kotak FMP Series 265 -Growth (Regular Plan) (Previous Year 10,000,000)	12.04	11.06
5,000,000	Units of Rs. 10 each of Nippon India Fixed Horizon Fund-XLI-Series 1 - Growth Plan-GWGPG (Previous Year 5,000,000)	6.01	5.53
-	Units of Rs. 10 each of Nippon India Fixed Horizon Fund - XXXV- Series 7- Growth Plan- P7GPG (Previous Year 10,000,000)	-	11.90
-	Units of Rs. 10 each of Nippon India Fixed Horizon Fund - XXXV- Series 14 (1,214 Days)- Growth Plan- S6GPG (Previous Year 2,500,000)	-	2.97
-	Units of Rs. 10 each of Nippon India Fixed Horizon Fund - XXXV- Series 15 (1,207 Days)- Growth Plan - S7GPG (Previous Year 2,500,000)	-	2.97
-	Units of Rs. 10 each of SBI Debt Fund Series - C -7 (1,190 Days) - Regular Growth (Previous Year 5,000,000)	-	5.88
-	Units of Rs. 10 each of SBI Debt Fund Series - C - 9 (1,150 Days) - Regular Growth (Previous Year 2,500,000)	-	2.94
10,000,000	Units of Rs. 10 each of SBI Debt Fund Series - C - 48 (1,177 Days) - Regular Growth (Previous Year 10,000,000)	12.00	11.02

Notes to the Standalone Financial Statements

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
-	Units of Rs. 10 each of L&T FMP Series 16 - Plan A (1,223 Days) - Growth (Previous Year 5,000,000)	-	5.93
-	Units of Rs. 10 each of UTI Fixed Term Income Fund Series - XXVIII - IV (1,204 Days) - Growth Plan (Previous Year 5,000,000)	-	5.95
-	Units of Rs. 10 each of UTI Fixed Term Income Fund Series - XXVIII - XI (1,161 Days) - Growth Plan (Previous Year 2,500,000)	-	2.96
-	Units of Rs. 10 each of UTI Fixed Term Income Fund Series - XXVIII-VI (1,190 Days) - Growth Plan (Previous Year 2,500,000)	-	2.98
-	Units of Rs. 10 each of UTI Fixed Term Income Fund Series - XXVIII-VIII (1,171 Days) - Growth Plan (Previous Year 2,500,000)	-	2.98
5,000,000	Units of Rs. 10 each of UTI Fixed Term Income Fund Series XXXI - X (1,168 Days) Regular Growth Plan (Previous Year 5,000,000)	6.01	5.52
10,000,000	Units of Rs. 10 each of Sundaram Fixed Term Plan IS - Regular Plan-Growth Option (Previous Year 10,000,000)	12.03	11.04
	Total Investments at FVTPL	**114.35**	**197.05**
	Total Other Investments 6=(a+b)	**216.86**	**265.47**
	Aggregate carrying value and Market Value of Quoted Investments	**51.42**	**21.98**
	Aggregate carrying value of Unquoted Investments	**165.44**	**243.49**

* Denotes amount less than Rs. 50,000

Note 7 : Current Investments

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
Investments at fair value through profit or loss (FVTPL)			
	Investments in Mutual Funds /Current portion of Fixed Maturity Plan (FMP) - Unquoted		
88,562	Units of Rs. 1000 each of Axis Liquid Fund-Growth (Previous Year 58,335)	20.13	12.80
139,933	Units of Rs. 10 each of Axis Overnight Fund Reg Gr(Previous Year Nil)	15.21	-
611,169	Units of Rs. 100 each of Aditya Birla Sun Life Liquid Fund-Growth-Regular Plan (Previous Year 270,373)	20.13	8.59
46,446	Units of Rs. 10 each of Aditya Birla Sunlife Overnight Reg-Gr Plan (PreviousYear Nil)	5.15	-
68,937	Units of Rs. 1,000 each of DSP Liquidity Fund-Regular Plan-Growth (Previous Year 39,716)	20.13	11.21
46,940	Units of Rs. 10 each of DSP Overnight fund-Regular Plan-Growth (Previous Year Nil)	5.16	-
-	Units of Rs. 1,000 each of Franklin India Liquid Fund-Super Institutional Plan-Growth Plan (Previous Year 18,138)	-	5.39
50,087	Units of Rs. 1,000 each of HDFC Liquid Fund - Growth (Previous Year 18,769)	20.12	7.29
33,430	Units of Rs. 10 each of HDFC Overnight Fund- Gr (Previous Year Nil)	10.16	-
-	Units of Rs. 1,000 each of HSBC Cash Fund - Growth (Previous Year 29,490)	-	5.81
664,149	Units of Rs. 100 each of ICICI Prudential Liquid Fund- Growth (Previous Year 237,023)	20.13	6.93

Notes to the Standalone Financial Statements

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
904,373	Units of Rs. 10 each of ICICI prudential Overnight Fund- Reg-gr plan (Previous Year Nil)	10.01	-
53,569	Units of Rs. 1,000 each of Invesco India Liquid Fund - Growth Option (Previous Year Rs. 31,817)	15.05	8.64
48,151	Units of Rs. 10 each of Invesco India Overnight fund -Reg- Gr plan (Previous Year Nil)	5.01	-
61,005	Units of Rs. 1,000 each of IDFC Cash Fund -Growth-Regular Plan (Previous Year 36,148)	15.09	8.64
45,722	Units of Rs. 10 each of IDFC overnight Fund -Growth Plan (Previous Year Nil)	5.01	-
98,215	Units of Rs. 10 each of L&T overnight fund - Reg- Gr plan (Previous Year Nil)	15.02	-
71,511	Units of Rs. 1,000 each of L&T Liquid Fund - Regular - Growth (Previous Year 57,183)	20.07	15.50
147,597	Units of Rs. 10 each of Kotak overnight fund - Reg- Gr plan (Previous Year Nil)	16.18	-
48,603	Units of Rs. 1,000 each of Kotak Liquid Fund Regular Plan -Growth (Previous Year 44,876)	20.13	17.95
62,347	Units of Rs. 1,000 each of Tata Liquid Fund-Regular Plan-Growth (Previous Year 17,977)	20.11	5.60
59,967	Units of Rs. 1,000 each of UTI Liquid Cash Regular Plan -Growth (Previous Year 25,683)	20.11	8.31
25,088	Units of Rs. 10 each of UTI Overnight Fund-Reg-Gr Plan (Previous Year Nil)	7.01	-
47,096	Units of Rs. 10 each of LIC Overnight Fund-Reg-Gr Plan (Previous Year Nil)	5.01	-
40,758	Units of Rs. 1,000 each of LIC MF Liquid Fund-Regular Plan-Growth (Previous Year Nil)	15.09	-
40,272	Units of Rs. 1,000 each of Nippon India Liquid Fund -Growth Plan - Growth Option (Previous Year Nil)	20.13	-
62,838	Units of Rs. 1,000 each of SBI Premier Liquid Fund-Regular Plan-Growth (Previous Year Nil)	20.13	-
-	Units of Rs. 10 each of Franklin India Fixed Maturity Plan-Series 1 Plan A -(1,108 Days) Growth (Previous Year 7,500,000)	-	9.23
-	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series of (1,151 Days)-Growth-Regular Plan (Previous Year 10,000,000)	-	12.33
-	Units of Rs. 10 each of ICICI Prudential Fixed Maturity Plan-Series 80 - (1,245 Days) Plan L Cumulative (Previous Year 10,000,000)	-	12.47
-	Units of Rs. 10 each of IDFC Fixed Term Plan Series 131 Regular Plan - Growth (1,139 Days) (Previous Year 12,500,000)	-	15.42
-	Units of Rs. 10 each of Kotak FMP Series 200 Growth (Regular Plan) (Previous Year 10,000,000)	-	12.27
-	Units of Rs. 10 each of SBI Debt Fund Series - B -49 (1,170 Days) - Regular Growth (Previous Year 10,000,000)	-	12.29
-	Units of Rs. 10 each of UTI Fixed Term Income Fund Series - XXVI - V (1,160 Days) - Growth Plan (Previous Year 10,000,000)	-	12.54
-	Units of Rs. 10 each of DSP FMP-Series 204 (37M)-Regular Plan-Growth (Previous Year 10,000,000)	-	12.35

Notes to the Standalone Financial Statements

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
-	Units of Rs. 10 each of Nippon India Fixed Horizon Fund - XXXIII- Series 3- Growth Plan- VRGP (Previous Year 10,000,000)	-	12.50
-	Units of Rs. 10 each of Nippon India Fixed Horizon Fund - XXXIII- Series 4- Growth Plan- VSGPG (Previous Year 10,000,000)	-	12.49
1,363,564	Units of Rs. 10 each of Nippon India Overnight Fund-Reg-Gr Plan (Previous Year Nil)	15.03	-
45,219	Units of Rs. 10 each of SBI Overnight Fund-Reg-Gr Plan (Previous Year Nil)	15.01	-
9,190	Units of Rs. 10 each of Sundaram Overnight Fund-Reg-Gr Plan (Previous Year Nil)	1.00	-
2,326,910	Units of Rs. 10 each of Sundaram Money Fund- Regular-Growth (Previous Year Nil)	10.03	-
46,200	Units of Rs. 10 each of Tata Overnight Fund-Reg-Gr Plan (Previous Year Nil)	5.01	-
2,500,000	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PB (1,190 Days)-Growth-Regular Plan (Previous Year Nil)	3.14	-
2,500,000	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PD (1,177 Days)-Growth-Regular Plan (Previous Year Nil)	3.14	-
2,500,000	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PE (1,159 Days)-Growth-Regular Plan (Previous Year Nil)	3.13	-
2,500,000	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PH (1,143 Days)-Growth-Regular Plan (Previous Year Nil)	3.13	-
10,000,000	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series OX (1,234 Days)-Growth-Regular Plan (Previous Year Nil)	12.57	-
10,000,000	Units of Rs. 10 each of Franklin India Fixed Maturity Plan-Series 2 Plan A (1,224 Days) - Growth (Previous Year Nil)	12.55	-
2,500,000	Units of Rs. 10 each of ICICI Prudential Fixed Maturity Plan-Series 82 - (1,185 Days) Plan M Cumulative (Previous Year Nil)	3.15	-
5,000,000	Units of Rs. 10 each of ICICI Fixed Maturity Plan Series 82-(1,236 Days)- Plan A Cumulative (Previous Year Nil)	6.30	-
5,000,000	Units of Rs. 10 each of L&T FMP Series 16 - Plan A (1,223 Days) - Growth (Previous Year Nil)	6.27	-
10,000,000	Units of Rs. 10 each of Nippon India Fixed Horizon Fund - XXXV- Series 7- Growth Plan- P7GPG (Previous Year Nil)	12.65	-
2,500,000	Units of Rs. 10 each of Nippon India Fixed Horizon Fund - XXXV- Series 14 (1,214 Days)- Growth Plan- S6GPG (Previous Year Nil)	3.16	-
2,500,000	Units of Rs. 10 each of Nippon India Fixed Horizon Fund - XXXV- Series 15 (1,207 Days)- Growth Plan- S7GPG (Previous Year Nil)	3.16	-
5,000,000	Units of Rs. 10 each of SBI Debt Fund Series - C -7 (1,190 Days) - Regular Growth (Previous Year Nil)	6.23	-
2,500,000	Units of Rs. 10 each of SBI Debt Fund Series - C - 9 (1,150 Days) - Regular Growth (Previous Year Nil)	3.11	-
5,000,000	Units of Rs. 10 each of UTI Fixed Term Income Fund Series - XXVIII - IV (1,204 Days) - Growth Plan (Previous Year Nil)	6.30	-
2,500,000	Units of Rs. 10 each of UTI Fixed Term Income Fund Series - XXVIII - XI (1,161 Days) - Growth Plan (Previous Year Nil)	3.15	-
2,500,000	Units of Rs. 10 each of UTI Fixed Term Income Fund Series - XXVIII-VI (1,190 Days) - Growth Plan (Previous Year Nil)	3.15	-
2,500,000	Units of Rs. 10 each of UTI Fixed Term Income Fund Series - XXVIII - VIII (1,171 Days) - Growth Plan (Previous Year Nil)	3.15	-
	Total Current Investments	**509.00**	**246.55**

Notes to the Standalone Financial Statements

Note 8 : Loans -Non Current

(Unsecured, considered good)

(Rs. In Crore)

	As at 31st March, 2021	As at 31st March, 2020
(a) Security Deposits	4.38	3.87
	4.38	**3.87**

Note 9: Other Financial Assets

(Unsecured, considered good)

(Rs. In Crore)

	Non-Current		Current	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Carried at amortised cost				
(a) Fixed Deposit with Banks	-	-	700.00	-
(b) Fixed Deposit - Margin Money	-	-	0.30	0.27
(c) Deposits with others	-	-	50.00	50.00
(d) Interest accrued on Fixed Deposit	-	-	27.91	5.63
	-	**-**	**778.21**	**55.90**

Note 10 : Other Non-Current Assets

(Unsecured, considered good)

(Rs. In Crore)

	As at 31st March, 2021	As at 31st March, 2020
(a) Capital Advance	16.75	6.67
(b) Balances with Government Authorities		
(i) Sales Tax Receivables	15.74	15.38
(ii) Excise Duty Receivables	2.19	3.51
(iii) Other Receivables	0.52	0.52
	35.20	**26.08**

Note 11- Inventories

(Lower of cost and net realisable value unless stated)

(Rs. In Crore)

	As at 31st March, 2021	As at 31st March, 2020
(a) Raw materials	127.30	116.58
(b) Work in progress	166.24	131.02
(c) Finished goods	416.95	297.34
(d) Stock in Trade (in respect of goods acquired for trading)	19.30	19.42
(e) Stores & Spares	23.65	23.23
(f) Scrap	1.96	5.47
Total inventories	**755.40**	**593.06**
Included above, goods-in-transit:		
Raw materials	13.22	16.26
Total goods-in-transit	**13.22**	**16.26**

Notes to the Standalone Financial Statements

Note 12 : Trade Receivables - (Unsecured)

(Rs. In Crore)

	As at 31st March, 2021	As at 31st March, 2020
Considered good	176.55	187.02
Considered doubtful	16.24	15.75
Total	**192.79**	**202.77**
Less: Allowances for credit Losses	16.24	15.75
	176.55	**187.02**

Note 12.1
Trade Receivables :
The average credit period for the Company's receivables is in the range of 30 to 60 days in respect of institutional sales and upto 190 days in case of sales to government owned entities. No interest is charged on trade receivables. Trade receivables balance as at 31st March, 2021 includes Rs. 84.51 crores (31st March, 2020, Rs. 78.38 crores) due from Bharat Sanchar Nigam Ltd, Bharat Broadband Nigam Ltd, North Central Railway and Telecommunication Consultants India Ltd, Rs. 30.87 crores (31st March, 2020, Rs. 33.35 crores) due from Minda Corporation Ltd and D-Link India Limited which represents Company's large customers. Apart from the above there are no customers who individually represents more than 5% of the total balance of trade receivables.

Expected credit loss

The Company assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The concentration of credit risk is limited due to the fact that the large customers are mainly government entities.

The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. Movement in the expected credit loss allowance:

(Rs. In Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the year	15.75	9.93
Movement in the expected credit loss allowance on trade receivables calculated at lifetime expected credit losses (net)	0.49	5.82
Balance at the end of the year	**16.24**	**15.75**

Note 13: Cash and Cash Equivalents

(Rs. In Crore)

	As at 31st March, 2021	As at 31st March, 2020
(a) Balances with banks:		
In Current Accounts	24.58	31.00
Deposits with original maturity of less than three months	-	825.00
(b) Cash on hand	0.02	0.02
Total Cash and Cash Equivalents	**24.60**	**856.02**

Notes to the Standalone Financial Statements

Note 14: Other Bank Balances

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
(a)	In Earmarked Accounts		
	Unclaimed dividend	3.14	2.86
(b)	Fixed Deposits with maturity greater than 3 months but less than 12 months	25.98	75.00
		29.12	**77.86**

Note 15 : Other Current Assets

(Unsecured, considered good)

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
(a)	Goods & Services Tax Receivable	22.93	2.48
(b)	Government Grant Receivable	0.55	8.69
(c)	Balances with Government authorities	0.28	0.28
(d)	Other Advances	28.18	64.35
	Considered Good	43.56	28.18
	Considered Doubtful	1.16	-
		44.72	**28.18**
	Less: Allowances for doubtful advances	1.16	-
	Total Other Advances	**43.56**	**28.18**
(e)	Prepaid Expenses	0.69	0.82
		70.50	**52.76**

Note 16 : Equity Share Capital

		As at 31st March, 2021		As at 31st March, 2020	
		Nos.	(Rs. In Crore)	Nos.	(Rs. In Crore)
I	**Authorised Share Capital**				
	235,000,000 (Previous year 235,000,000) Equity shares of Rs. 2/-each	235,000,000	47.00	235,000,000	47.00
	3,000,000 (Previous year 3,000,000) Unclassified shares of Rs. 10/- each	3,000,000	3.00	3,000,000	3.00
		238,000,000	**50.00**	**238,000,000**	**50.00**
II	**Issued, Subscribed and Paid up Share Capital**				
	Equity shares of Rs. 2 each issued, subscribed and fully paid	152,939,345	30.59	152,939,345	30.59

		As at 31st March, 2021		As at 31st March, 2020	
		No of Shares	(Rs. In Crore)	No of Shares	(Rs. In Crore)
(a)	**Reconciliation of Equity Shares at the beginning and at the end of the reporting period.**				
	Balance at the beginning of the year	152,939,345	30.59	152,939,345	30.59
	Issued during the year	-	-	-	-
	Outstanding at the end of the year	**152,939,345**	**30.59**	**152,939,345**	**30.59**

Notes to the Standalone Financial Statements

(b) Terms/ rights attached to equity shares

The Company has issued only one class of equity shares having a par value of Rs. 2 per share. Each holder of equity shares is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

On 29th June, 2021, the Board of Directors of the company have proposed a final dividend of Rs. 5.50 per share in respect of the year ended 31st March, 2021 subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in a cash outflow of Rs. 84.12 crores.

	As at 31st March, 2021		As at 31st March, 2020	
	No of Shares	% Holding	No of Shares	% Holding
(c) Details of shareholders holding more than 5% Shares in the company				
Finolex Industries Limited	22,187,075	14.51	22,187,075	14.51
Orbit Electricals Private Limited	46,956,120	30.70	46,956,120	30.70
Franklin Templeton Mutual Fund	10,031,928	6.56	10,307,565	6.74
DSP Small Cap Fund	8,101,218	5.30	-	-

Note 17 : Other Equity

(Rs. In Crore)

			As at 31st March, 2021	As at 31st March, 2020
(i)	**Securities Premium**		109.10	109.10
(ii)	**Capital Reserve**		8.41	8.41
(iii)	**General Reserve**		552.36	552.36
(iv)	**Share buy back reserve**		5.52	5.52
(v)	**Retained Earnings**			
		Opening Balance	1,967.09	1,650.27
	Add:	Other Comprehensive Income/(Expenses) arising from Remeasurement of Defined Benefit Obligation (Net of Tax)	0.49	(2.69)
		Profit for the year	282.89	402.48
	Less:	Payment of dividend	(84.12)	(68.82)
		Dividend distribution tax	-	(14.15)
		Closing Balance	**2,166.35**	**1,967.09**
(vi)	**Equity Instruments through Other Comprehensive Income**			
	Opening Balance		45.56	83.42
	Add/(Less):	Change in Fair Value of Equity Instrument through other Comprehensive Income	34.09	(34.84)
	Add/(Less):	Deferred Tax	(1.27)	(3.02)
		Closing Balance	**78.38**	**45.56**
	Total		**2,920.12**	**2,688.04**

Nature and purpose:

Securities Premium

Securities Premium is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

Notes to the Standalone Financial Statements

Capital Reserve

The Company recognises the difference on purchase, sale, issue or cancellation of Company's own equity instruments to Capital Reserve. Capital Reserve is utilised in accordance with the provisions of the Companies Act, 2013.

General Reserve

General Reserve is used from time to time to transfer profits from Retained Earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General Reserve will not be reclassified subsequently to statement of profit and loss.

Share buy back reserve

During the earlier years, the Company had bought back its own equity out of free reserves. Share buy back reserve (Capital Redemption Reserve) represents amount set-aside in respect of nominal value of the shares bought back as per the Companies Act, 2013.

Retained Earnings

Retained Earnings are the profits of the Company earned till date net of appropriations.

Equity Instruments through Other Comprehensive Income

This Reserve represents the cumulative gains and losses arising on revaluation of equity instruments measured at fair value through Other Comprehensive Income, net of amounts reclassified to retained earnings when those assets are disposed off.

Note 18 : Non-Current Borrowings

(Rs. In Crore)

	As at 31st March, 2021	As at 31st March, 2020
Finance lease obligation	0.31	0.34
	0.31	**0.34**

Note 18.1: Repayment Details of Loans

Finance lease obligation: Repayable over 78 Years, last installment in financial year 2096-97.

Note 19 : Provisions

(Rs. In Crore)

	Non-Current		Current	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Provision for Employee Benefits				
Gratuity	1.19	3.11	3.69	3.80
Leave Encashment	10.53	9.50	3.16	2.81
	11.72	**12.61**	**6.85**	**6.61**

Notes to the Standalone Financial Statements

Note 20 : Tax Expense and Deferred Tax Liability (net)

Note 20.1 : Tax Expense

1. Income Tax recognised in Statement of profit and loss

(Rs. In Crore)

	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Current Tax:		
In respect of current year	112.63	124.83
In respect of previous year	-	(1.59)
	112.63	**123.24**
Deferred tax:		
In respect of current year	(3.40)	(24.39)
	(3.40)	(24.39)
Total Income Tax expense recognised during the year	**109.23**	**98.85**

2. Income Tax recognised in Other Comprehensive Income

(Rs. In Crore)

	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Deferred tax on fair value changes on equity instruments at FVTOCI	(1.44)	(2.11)
Total Income Tax expense recognised in other comprehensive income during the year	**(1.44)**	**(2.11)**

3. The Income Tax expenses for the year can be reconciled to the accounting profit as follows.

(Rs. In Crore)

	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Profit before tax considered for tax working	392.12	501.33
Income tax expenses calculated at 25.17% (Previous year 25.17 %)	98.69	126.17
Effect of income that is exempt from tax	(0.06)	(20.38)
Effect of decrease in applicable tax rate in India	-	(14.59)
Effect of expenses that are not deductible in determining taxable profit	12.91	17.11
Effect of tax on other items	(1.72)	(6.79)
Adjustments recognised in the current year in relation to the current tax of prior years	-	(1.59)
Effect of tax at differential tax rates	(0.59)	(1.08)
Income tax expenses recogninsed in statement of profit and loss	**109.23**	**98.85**

Note:

1. The tax rate used for the year ended 31st March, 2021 and 31st March, 2020 reconciliations above is the corporate tax rate of 25.17% respectively, payable by corporate entities in India on taxable profits under Indian Income Tax Laws.

Notes to the Standalone Financial Statements

Note 20.2 : Deferred Tax Liability (net)

1. The following is the analysis of Deferred Tax Liability (net) presented in the Balance Sheet:

(Rs. In Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Deferred tax assets	10.22	8.91
Deferred tax liabilities	(44.32)	(44.97)
Total - Deferred tax Liabilities (net)	**(34.10)**	**(36.06)**

2. The tax effect of significant timing differences that has resulted in deferred tax liabilities are given below:

(Rs. In Crore)

Particulars	For the year ended 31st March, 2021				
	Opening balance	Recognised in Profit and loss	Recognised in OCI	Impact on account of IND AS 116	Closing balance
Deferred Tax Assets in relation to					
Employee Benefits	4.84	0.01	(0.17)	-	4.68
Allowance for Doubtful Debt & Advances	3.96	0.42	-	-	4.38
Others	0.11	1.05	-	-	1.16
Total	**8.91**	**1.48**	**(0.17)**	**-**	**10.22**
Deferred Tax Liabilities in relation to					
Property, Plant and Equipment	30.85	(2.00)	-	-	28.85
Financial assets at fair value through OCI	6.15	-	1.27	-	7.42
Financial assets at fair value through Profit and loss	7.53	0.04	-	-	7.57
Lease liabilities	0.44	0.04	-	-	0.48
Total	**44.97**	**(1.92)**	**1.27**	**-**	**44.32**
Deferred tax Liabilities (net)	**(36.06)**	**3.40**	**(1.44)**	**-**	**(34.10)**

(Rs. In Crore)

Particulars	For the year ended 31st March, 2020				
	Opening balance	Recognised in Profit and loss	Recognised in OCI	Impact on account of IND AS 116	Closing balance
Deferred Tax Assets in relation to					
Employee Benefits	5.36	(1.43)	0.91	-	4.84
Allowance for Doubtful Debt	3.47	0.49	-	-	3.96
Others	0.16	(0.05)	-	-	0.11
Total	**8.99**	**(0.99)**	**0.91**	**-**	**8.91**
Deferred Tax Liabilities in relation to					
Property, Plant and Equipment	37.61	(6.76)	-	-	30.85
Financial assets at fair value through OCI	3.13	-	3.02	-	6.15
Financial assets at fair value through Profit and loss	26.59	(19.06)	-	-	7.53
Lease liabilities	-	-	-	0.44	0.44
Total	**67.33**	**(25.82)**	**3.02**	**0.44**	**44.97**
Deferred tax Liabilities (net)	**(58.34)**	**24.83**	**(2.11)**	**(0.44)**	**(36.06)**

Notes to the Standalone Financial Statements

Note 21 : Trade Payables

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
(a)	Total Outstanding Dues of micro enterprises and small enterprises	15.87	5.52
(b)	Total Outstanding Dues of Creditors other than micro enterprises and small enterprises		
	(i) Trade payables	133.81	132.58
	(ii) Accrued Salaries and Benefits	26.35	20.58
		160.16	**153.16**
Total		**176.03**	**158.68**

Note 21.1 : Dues to Micro enterprises and Small enterprises

(a) Outstanding to suppliers other than micro enterprises and small enterprises Rs. 160.16 crores (previous year Rs.153.16 crores)

(b) Outstanding to micro enterprises and small enterprises Rs. 15.87 crores (previous year Rs.5.52 crores) including interest.

(Rs. In Crore)

	Particulars	As at 31st March, 2021	As at 31st March, 2020
	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
(a)	Principal amount due to micro and small enterprise	15.77	5.47
(b)	Interest due on above	0.10	0.05
		15.87	**5.52**
	Amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006 along with the amounts paid to suppliers beyond the appointed day during each accounting year.		
	(a) Amount of interest due and payable for the period of delay in making payment (beyond the appointed day) but without adding the interest specified under the MSMED Act.	-	-
	(b) The amount of interest accrued and remaining unpaid at the end of each accounting year	0.10	0.05

The identification of suppliers as Micro and Small Enterprises covered under the "MSMED Act, 2006" was done on the basis of the information to the extent provided by the suppliers to the Company. This has been relied upon the auditors.

Notes to the Standalone Financial Statements

Note 22 : Other Current Financial Liabilities

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
(a)	Current Maturities of Long term Debts		
	Deferred Sales Tax Loan	-	0.01
	Finance lease obligation	0.03	0.03
(b)	Unpaid Dividend (refer note below)	3.14	2.86
(c)	Other Payables		
	Deposits from Distributors	0.96	0.75
	Other Liabilities	0.04	0.04
		4.17	**3.69**

Note:

The Company is in process of ascertaining the quantum of shares to be transferred to Investor Education and Protection Fund (IEPF), in terms of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended.

Note 23 : Other Current Liabilities

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
(a)	Statutory Dues payable		
	(i) Goods & Services Tax Payables	1.16	10.48
	(ii) TDS Payables	1.24	0.51
	(iii) Employee related dues payable	1.26	1.28
(b)	Advance from customers	28.42	22.39
(c)	Other payables	0.03	0.04
		32.11	**34.70**

Note 24 : Revenue From Operations

(Rs. In Crore)

		Year Ended 31st March, 2021	Year Ended 31st March, 2020
(a)	Sale of Products	2,722.15	2,840.68
(b)	Other operating revenue-Sale of scrap	45.96	36.62
		2,768.11	**2,877.30**

Notes to the Standalone Financial Statements

(Rs. In Crore)

	Year Ended 31st March, 2021	Year Ended 31st March, 2020
(i) Sale of Products includes:		
Sale of Manufactured products	2,620.15	2,769.00
Sale of Traded Goods	102.00	71.68
Total	**2,722.15**	**2,840.68**

(ii) Disaggregation of the revenue information

The table below presents disaggregated revenue by geography and offerings for each of products.

Revenue from sale of products

(Rs. In Crore)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
A. Electrical cables	2,267.81	2,324.49
B. Communication cables	319.74	408.94
C. Copper rods	22.18	19.10
D. Others	112.42	88.15
	2,722.15	**2,840.68**
Sale of Scrap		
A. Electrical cables	42.17	36.62
B. Communication cables	1.73	-
C. Copper rods	0.86	-
D. Others	1.20	-
	45.96	**36.62**
	2,768.11	**2,877.30**

Revenue by Geography

(Rs. In Crore)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
India	2,737.24	2,851.57
Outside India	30.87	25.73
	2,768.11	**2,877.30**

Timing of revenue recognition

(Rs. In Crore)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Goods transferred at a point of time	2,768.11	2,877.30
Goods transferred over a period of time	-	-
	2,768.11	**2,877.30**

(iii) Information about major customers

There are no major customers having revenue transactions exceeding 10% of the total revenue.

Notes to the Standalone Financial Statements

Note 25 : Other Income

(Rs. In Crore)

		Year Ended 31st March, 2021	Year Ended 31st March, 2020
(a)	Interest income on financial assets carried at amortised cost	51.61	9.04
(b)	Dividend Income		
	(i) Dividend from Associate	-	80.39
	(ii) Dividend from Others- Equity Investments Designated at FVTOCI	0.24	0.57
(c)	Others		
	(i) Net gain/(loss) on investments classified at FVTPL	21.38	73.68
	(ii) Exchange gain/(losses) on translation of Assets and Liabilities	0.68	0.52
	(iii) Other Income	3.08	7.69
		76.99	**171.89**

Note 26 : Cost of material consumed

(Rs. In Crore)

	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Inventory at the beginning of the year	116.58	115.19
Add: Purchases	2,140.63	2,027.54
Less: Inventory at the end of the year	127.30	116.58
	2,129.91	**2,026.15**

Note 27 : Changes in inventories of finished goods, stock-in-trade and work-in-progress

(Rs. In Crore)

	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Inventories at the end of the year (A)		
Work-in-progress	166.24	131.02
Finished goods	416.95	297.34
Stock-in-Trade	19.30	19.42
	602.49	**447.78**
Inventories at the beginning of the year (B)		
Work-in-progress	131.02	159.84
Finished goods	297.34	274.31
Stock-in-Trade	19.42	13.66
	447.78	**447.81**
(Increase)/Decrease in Inventories (B)-(A)	**(154.71)**	**0.03**

Notes to the Standalone Financial Statements

Note 28 : Employee benefits expense

(Rs. In Crore)

		Year Ended 31st March, 2021	Year Ended 31st March, 2020
(a)	Salaries, wages and bonus (refer note 28.1 below)	122.50	131.77
(b)	Contribution to provident and other funds	5.49	5.91
(c)	Gratuity expense	2.49	1.98
(d)	Leave Encashment	4.14	4.23
(e)	Staff welfare and other expenses	3.25	5.64
		137.87	**149.53**

Note 28.1

Salaries, wages and bonus includes Rs. 8.63 crores (previous year Rs. 10.23 crores) paid/ payable to the executive director, during the year, subject to the below.

The resolutions for the reappointment and remuneration of the executive directors were placed before the Annual General Meeting of the Company held on 25th September, 2018. The Hon'ble High Court of Bombay had in respect of an appeal filed in respect of reappointment and remuneration of the executive directors, stated that the results of the voting shall be subject to the Order to be passed by the Hon'ble High Court of Bombay in this Appeal. The matter remains pending. Total remuneration paid/payable to the executive directors for the period 1st July, 2018 (being the date of proposed reappointment) upto 31st March, 2021 is Rs. 28.98 crores. (previous year Rs. 20.35 crores).

Note 29 : Finance Costs

(Rs. In Crore)

	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Interest on debts and borrowings	-	0.02
Interest others	0.76	1.53
	0.76	**1.55**

Note 30 : Depreciation and Amortization expense

(Rs. In Crore)

	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Depreciation on Tangible assets (note 3)	37.16	38.21
Amortization of Intangible assets (note 4)	0.28	0.29
Amortization of Right of use (note 4A)	1.52	0.41
	38.96	**38.91**

Notes to the Standalone Financial Statements

Note 31 : Other Expenses

(Rs. In Crore)

		Year Ended 31st March, 2021	Year Ended 31st March, 2020
(a)	Consumption of stores and spares	20.44	29.06
(b)	Power and fuel	43.52	46.40
(c)	Freight and forwarding charges	46.88	44.87
(d)	Rent	3.61	2.89
(e)	Rates and taxes	8.21	0.67
(f)	Insurance	4.98	1.88
(g)	Repairs and maintenance -		
	(i) Plant and machinery	1.96	1.73
	(ii) Buildings	0.44	1.37
	(iii) Others	3.71	3.95
(h)	CSR expenditure (Refer note 2 below)	9.77	12.27
(i)	Advertising and sales promotion	13.77	26.61
(j)	Travelling and conveyance	6.85	10.08
(k)	Communication costs	0.71	0.82
(l)	Legal and professional fees	7.53	9.90
(m)	Non Executive Directors' sitting fees & Commission	0.82	0.87
(n)	Payment to auditor (Refer note 1 below)	0.80	0.86
(o)	Allowances for doubtful debts	0.49	5.82
(p)	Allowances for doubtful advances	1.16	-
(q)	Miscellaneous expenses (refer note no.5)	21.24	19.29
(r)	Impairment of Financial Assets	27.03	35.10
(s)	Net Loss on disposal of property, plant and equipment	0.03	0.08
(t)	Electoral Bonds	-	20.00
		223.95	**274.52**

Notes :

1. Payment to Auditors (Exclusive of service tax & GST)

(Rs. In Crore)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Audit Fees	0.28	0.28
For other service (certifications, etc)	0.06	0.06
Fees for limited review	0.41	0.41
For reimbursement of expenses	-	0.06
For taxation matters	0.05	0.05
Total	**0.80**	**0.86**

Notes to the Standalone Financial Statements

2. Details of CSR expenditure

(Rs. In Crore)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Amount required to be spent as per section 135 of the Act	8.68	8.17
Amount spent during the year	9.77	8.17
Amount spent during the year in respect of earlier years	-	4.10
Total Spent	**9.77**	**12.27**
Amount spent during the year on:		
(a) Construction/Acquisition of asset	-	-
(b) On purposes other than (a) above	9.77	12.27

Note 32 : Contingent Liabilities and Commitments

(a) Contingent Liabilities

Claims against the company not acknowledged as debts

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
I	**Disputed Tax Matters**		
	(a) Excise (dispute mainly on account of issues of applicablility, classification, etc. to certain goods)	37.04	43.68
	(b) GST	0.20	0.20
	(c) Customs	0.94	1.34
	(d) Sales Tax (dispute mainly on account of non submission of C,F and other forms and rates of tax)	135.67	133.60
	(e) Entry Tax (dispute on account of applicability, etc.)	4.85	12.39
	(f) Income Tax (Including Wealth Tax)		
	wherein the Company is in Appeal	15.28	20.98
	wherein the Department is in Appeal (disputes relating to allowability of certain expenses, deductability, etc.)	10.56	10.56
II	Other claims against the Company not acknowledged as debts	0.28	0.28
		204.82	**223.03**

Note :

Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.

(b) Commitments

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
I	**Capital Commitments (Tangible Assets)**		
	Estimated amount of contracts remaining to be executed on capital account net of advance and not provided for.	73.15	28.46
II	**Other Commitment** I In respect of Finolex J Power Systems Private Limited (Joint Venture) whose net worth has been substantially eroded, the Company along with its joint venture partner has committed to provide financial support to the joint venture as and when required.		

Notes to the Standalone Financial Statements

Note 33 : Employee Benefit Plan

1. Defined Contribution plan

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution retirement benefit plans for eligible employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions as specified under the law/scheme are paid to the Government administered Provident fund and in case of Superannuation to the Scheme set up as trust by the Company-Insurer. The Company is liable only for annual contributions.

The Company has recognised Rs. 5.49 crores (31st March, 2020 - Rs. 5.91 crores) for provident fund contributions.

Contribution for superannuation funds Rs. Nil (31st March, 2020 - Rs. Nil) in the Statement of Profit and Loss because the earlier surplus contribution are available for utilisation.

The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

2. Defined Benefit plan

Gratuity-Funded

The Company has a defined benefit gratuity plan. The gratuity plan is primarily governed by the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The level of benefits provided depends on the member's length of service and salary at the retirement date. The gratuity plan is funded plan. The fund has form a trust and is governed by Trustees appointed by the Company. The Trustees are responsible for administration of the plan assets and investment strategy in accordance with the regulations. The funds are deployed in recognised insurer managed funds in India.

The following table sets out the status of Gratuity Plans as required under Ind AS 19.

(Rs. In Crore)

Statement showing changes in Present Value of obligations	As at 31st March, 2021	As at 31st March, 2020
Present value of obligations at the beginning of the year	26.07	21.80
Interest Cost	1.78	1.63
Current service cost	2.02	1.62
Benefits paid from the Fund	(1.23)	(2.49)
Actuarial (gain)/loss on obligations	(0.48)	3.51
Present Value of obligations as at end of the year	**28.16**	**26.07**
Table showing changes in the fair value of plan assets		
Fair value of plan assets at the beginning of the year	19.16	17.04
Expected return on plan assets	1.31	1.27
Contributions	3.85	3.43
Benefits paid	(1.23)	(2.49)
Return on Plan Assets, Excluding Interest Income	0.18	(0.09)
Fair value of plan asset at end of the year	**23.27**	**19.16**
Funded status	83%	74%
Actuarial (gain)/loss on obligations :-		
Due to change in Demographic Assumptions	-	-
Due to change in Financial Assumptions	0.87	1.33
Due to change in Experience	(1.35)	2.18
Actuarial (gain)/Loss recognised in the year	**(0.48)**	**3.51**

Notes to the Standalone Financial Statements

(Rs. In Crore)

Statement showing changes in Present Value of obligations	As at 31st March, 2021	As at 31st March, 2020
Amounts to be recognised in the Balance Sheet		
Present Value of obligations as at the end of the year	(28.16)	(26.07)
Fair value of plan assets as at the end of the year	23.27	19.16
Funded Status	(4.89)	(6.91)
Net Asset/(Liability) recognised in balance sheet	**(4.89)**	**(6.91)**
Expenses recognised in statement of Profit & Loss Account		
Current Service Cost	2.02	1.62
Interest Cost	0.47	0.36
Expected return on plan assets	-	-
Net Actuarial(gain)/Loss recognised in the year	-	-
Expenses recognised in statement of Profit & Loss	**2.49**	**1.98**
Expenses Recognised in Other Comprehensive Income		
Acturial (Gains)/Losses on obligation for the year	(0.48)	3.51
Return on Plan Assets, Excluding Interest Income	(0.18)	0.09
Expenses recognised in Other Comprehensive Income	**(0.66)**	**3.60**
Table showing administration of Plan Assets		
Administered by Life Insurance Corporation	23.27	19.16
Total	**23.27**	**19.16**

(Rs. In Crore)

Actuarial Assumptions:	As at 31st March, 2021	As at 31st March, 2020
Discount Rate	6.44%	6.82%
Rate of return on assets	6.44%	6.82%
Salary escalation	8.00%	8.00%
Attrition rate (p.a)		
- For service 2 years & below	25.00%	25.00%
- For service 3 to 4 years	12.50%	12.50%
- For service 5 years & above	5.00%	5.00%
Mortality	Indian Assured Lives Mortality (2006-08)Ultimate	

Particulars	As on 31st March				
	2021	2020	2019	2018	2017
Experience adjustments					
On plan liability (gain)/loss	(0.48)	3.51	3.46	0.33	1.85
On plan asset (gain)/loss	(0.18)	0.09	(0.04)	(0.12)	(0.02)

As per actuarial valuation report, Expected employer's contribution in next year is Rs. 3.69 crores (previous year Rs. 3.79 crores).

Notes to the Standalone Financial Statements

Effect on DBO on account of change in the assumed rates: (Rs. In Crore)

DBO Rates Types	Discount Rate		Salary Escalation Rate		Withdrawal Rate	
Year	**1%**	**1%**	**1%**	**1%**	**1%**	**1%**
	Increase	**Decrease**	**Increase**	**Decrease**	**Increase**	**Decrease**
31st March, 2021	(2.19)	2.55	2.48	(2.18)	(0.28)	0.32
31st March, 2020	(1.99)	2.31	2.26	(1.99)	(0.20)	0.23

The sensitivity results above determine their individual impact on Plan's end of year Defined Benefit Obligation. In reality, the plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time.

The expected maturity analysis of undiscounted defined benefit obligation is as follows:

(Rs. In Crore)

	31st March, 2021	31st March, 2020
Within 1 Year	2.97	2.74
Between 1-2 years	1.61	1.56
Between 2-3 years	2.19	1.65
Between 3-4 years	1.93	2.23
Between 4-5 years	1.98	1.95
Sum of 6-10 years	11.70	10.96
Sum of 11 years and above	**32.81**	**31.88**

Risk exposure:
Through the defined benefit plan, the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset Volatility:

The plan liabilties are calculated using a discount rate set with reference to government bond yield. If plan assets underperform this yield, it will result in deficit. These are subject to interest rate risk. To offset the risk plan assets have been deployed in high grade insurer managed funds.

Inflation rate risk:

Higher than expected increase in salary will increase the defined benefit obligation.

Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligations is not straightforward and depends upon the combination of salary increase, discount rate and vesting criterion.

Notes to the Standalone Financial Statements

Note 34 : Financial Instruments

1. Fair value measurements

1.1 The carrying value and fair value of financial instruments by categories as at 31st March, 2021 is as follows:

(Rs. In Crore)

Particulars	Fair value through P&L	Fair value through OCI	Amortised cost	Total carrying value	Total fair value
Assets:					
Cash and cash equivalents	-	-	24.60	24.60	24.60
Other balances with banks	-	-	29.12	29.12	29.12
Trade receivables	-	-	176.55	176.55	176.55
Investments#					
Equity and Others	-	102.51	-	102.51	102.51
Mutual Funds (includes FMP)	623.35	-	-	623.35	623.35
Loans	-	-	4.38	4.38	4.38
Other financial assets	-	-	778.21	778.21	778.21
Total	**623.35**	**102.51**	**1,012.86**	**1,738.72**	**1,738.72**
Liabilities:					
Trade payables	-	-	176.03	176.03	176.03
Borrowings	-	-	0.31	0.31	0.31
Lease liabilities	-	-	6.36	6.36	6.36
Other financial liabilities	-	-	4.17	4.17	4.17
Total	**-**	**-**	**186.87**	**186.87**	**186.87**

Other than investments in associate and Joint Ventures accounted at cost in accordance with Ind-AS 27.

The carrying value and fair value of financial instruments by categories as at 31st March, 2020 is as follows:

(Rs. In Crore)

Particulars	Fair value through P&L	Fair value through OCI	Amortised cost	Total carrying value	Total fair value
Assets:					
Cash and cash equivalents	-	-	856.02	856.02	856.02
Other balances with banks	-	-	77.86	77.86	77.86
Trade receivables	-	-	187.02	187.02	187.02
Investments#					
Equity and Others	-	68.42	-	68.42	68.42
Mutual Funds (includes FMP)	443.60	-	-	443.60	443.60
Loans	-	-	3.87	3.87	3.87
Other financial assets	-	-	55.90	55.90	55.90
Total	**443.60**	**68.42**	**1,180.67**	**1,692.69**	**1,692.69**
Liabilities:					
Trade payables	-	-	158.68	158.68	158.68
Borrowings	-	-	0.34	0.34	0.34
Lease liabilities	-	-	7.56	7.56	7.56
Other financial liabilities	-	-	3.69	3.69	3.69
Total	**-**	**-**	**170.27**	**170.27**	**170.27**

Other than investments in associate and Joint Ventures accounted at cost in accordance with Ind-AS 27.

Notes to the Standalone Financial Statements

1.2. Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. This includes quoted equity instruments, government securities and mutual funds (includes FMP) that have quoted price.

Level 2 Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) such as derivative financial instruments. The Company does not have any Level 2 instruments as at 31st March, 2021 and 31st March, 2020.

Level 3 I Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This includes unquoted equity shares.

(Rs. In Crore)

	Fair value hierarchy as at 31st March, 2021			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Mutual Funds (includes FMP)	623.35	-	-	623.35
Equity Shares				
Quoted	51.42	-	-	51.42
Unquoted	-	-	51.09	51.09
Total	**674.77**	**-**	**51.09**	**725.86**

(Rs. In Crore)

	Fair value hierarchy as at 31st March, 2020			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Mutual Funds (includes FMP)	443.60	-	-	443.60
Equity Shares				
Quoted	21.98	-	-	21.98
Unquoted	-	-	46.44	46.44
Total	**465.58**	**-**	**46.44**	**512.02**

Valuation technique(s) and key input(s):

Level 1 The fair value of mutual funds (includes FMP) and quoted equity shares is based on net assets value (NAV) and quoted price.

Level 2 The Company does not have any Level 2 instrument as at 31st March, 2021 and 31st March, 2020.

Level 3 The fair value of unquoted equity shares is determined using market approach. This approach involves the application of multiples, derived from market prices of comparable listed companies, to the parameters of the subject company in order to derive a value for the subject company.

Notes to the Standalone Financial Statements

1.3. Reconciliation of level 3 fair value measurements

(Rs. In Crore)

For the year ended 31st March, 2021	Unlisted shares irrevocably designated as at FVTOCI
Opening balance	46.44
Total gain in other comprehensive income	4.65
Held for sale/Disposals/Settlements	-
Closing balance	**51.09**

(Rs. In Crore)

For the year ended 31st March, 2020	**Unlisted shares irrevocably designated as at FVTOCI**
Opening balance	25.52
Total gain in other comprehensive income	20.92
Held for sale/Disposals/Settlements	-
Closing balance	**46.44**

All gains and losses included in other comprehensive income relate to unlisted shares held at the end of the reporting period and are reported under "Equity Instruments through Other Comprehensive Income".

The significant unobservable input used in the fair value measurement categorized within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31st March, 2021 and 31st March, 2020 are as shown below:

Description of significant unobservable inputs to valuation:

Particulars	Valuation techniques	Significant unobservable inputs	Sensitivity of the input to fair value
Investments in unquoted equity shares	Comparable Companies Multiples ("CCM") method under the Market Approach.	Adopted multiple, based on benchmark companies	Increase/(decrease) in discount to determine the multiple will impact the fair value of instrument. Higher the discount lower the fair value and vice-versa. Finolex Plasson Industries Private Limited: Multiple: CY 4.58 (PY 4.25) SICOM India Limited: Multiple: CY 1.10 (PY 0.90)

2. Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

Notes to the Standalone Financial Statements

The capital structure is as follows:

(Rs. In Crore)

	As at 31st March, 2021	As at 31st March, 2020
Total Equity	2,950.71	2,718.63
Total Borrowings	0.34	0.38
Total capital (borrowings and equity)	**2,951.05**	**2,719.01**
Equity as a percentage of total capital	99.99%	99.99%
Borrowing as a percentage of total capital	0.01%	0.01%

(i) Debt is defined as long-term borrowings (including current maturities) and short-term borrowings (excluding contingent considerations, if any).

(ii) Equity is defined as Equity share capital and other equity including reserves and surplus.

The Company is predominantly equity financed which is evident from the capital structure table. Further, the Company has always been a cash surplus Company with cash and bank balances along with investment. The Company's investment is predominantly in liquid and short term mutual funds being far in excess of debt.

3. Financial risk management

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity, which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

3.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

3.1.1 Foreign currency risk management

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar and Euro against the respective functional currency of the company. The Company enters into derivative financial instruments such as foreign exchange forward contract to mitigate the risk of changes in exchange rates on foreign currency exposures.

i The carrying amounts of the Company's foreign currency denominated monetary liabilities/ assets at the end of the reporting period are as follows:

	As at 31st March, 2021		As at 31st March, 2020	
	Foreign Currency (in Crore)	(Rs. in Crore)	Foreign Currency (in Crore)	(Rs. in Crore)
(a) Foreign Currency Liabilities				
In USD	0.22	16.36	0.05	3.52
In EURO	*	0.04	*	*
(b) Foreign Currency Asset				
In USD	0.04#	2.93	0.16#	4.60

* Denotes amount less than Rs./EURO 50,000

Balance with Banks in foreign currency and trade receivables

Notes to the Standalone Financial Statements

ii Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward and option contracts to mitigate the risk of changes in exchange rate on foreign currency exposure. The counterparty for these contracts is generally a Bank or a Financial Institution. These derivative financial instrument are valued based on quoted prices for similar asset and liabilities in active markets or inputs that is directly or indirectly observable in the market place. The company does not have any outstanding foreign exchange forward and option contracts as at 31st March, 2021 and 31st March, 2020.

iii Foreign currency sensitivity analysis

For the year ended 31st March, 2021 and 31st March, 2020, the impact of every rupee 1 depreciation / appreciation in the exchange rate between the Indian Rupee and U.S. Dollar on Profit before tax of the Company, given in below table.

	As of 31st March, 2021		As of 31st March, 2020	
	Rupee depreciate by INR 1 against USD (Rs. In Crore)	Rupee appreciate by INR 1 against USD (Rs. In Crore)	Rupee depreciate by INR 1 against USD (Rs. In Crore)	Rupee appreciate by INR 1 against USD (Rs. In Crore)
On Foreign Currency Liabilities (net) (Refer Note 2 below)	0.18	(0.18)	*	*

* Denotes amount less than Rs. 50,000

Notes:

1) +/- Gain/(Loss)

2) The impact of depreciation/ appreciation on foreign currency other than U.S.Dollar on profit before tax of the Company is not material.

3.1.2 Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Considering borrowing amount outstanding as at 31st March, 2021 and as at 31st March, 2020, Company is not exposed to significant interest rate risk.

3.2 Credit risk management

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, loans, cash and cash equivalents, other balances with banks and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units (including FMP).

Notes to the Standalone Financial Statements

The Company takes on exposure to credit risk,which is the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. Financial asset that potentially expose the Company to credit risks are listed below :

(Rs. In Crore)

	As at 31st March, 2021	As at 31st March, 2020
Trade Receivables	176.55	187.02
Loan	4.38	3.87
Total	**180.93**	**190.89**

3.3 Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The maturity profile of the financial liabilities are listed below:

Expected contractual maturity for Financial Liabilities

(Rs. In Crore)

31st March, 2021	Up to 1 year	1 to 3 years	3-5 years	Beyond 5 years	Total	Carrying Amount
Borrowings	0.03	0.08	0.04	0.19	0.34	0.34
Trade Payables	176.03	-	-	-	176.03	176.03
Other Financial Liabilities	4.14	-	-	-	4.14	4.14
Total	**180.20**	**0.08**	**0.04**	**0.19**	**180.51**	**180.51**

(Rs. In Crore)

31st March, 2020	**Up to 1 year**	**1 to 3 years**	**3-5 years**	**Beyond 5 years**	**Total**	**Carrying Amount**
Borrowings	0.04	0.10	0.05	0.23	0.42	0.42
Trade Payables	158.68	-	-	-	158.68	158.68
Other Financial Liabilities	3.65	-	-	-	3.65	3.65
Total	**162.37**	**0.10**	**0.05**	**0.23**	**162.75**	**162.75**

The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments.

3.4 Financing Facilities

The Company has undrawn committed borrowing facilities of Rs. 200.00 crores (previous year Rs. 200.00 crores).

Notes to the Standalone Financial Statements

Note 35 : Related Party Disclosures

Names of Related Parties :

Where transactions have taken place during the year and previous year/ balance outstanding.

(a) Associate Company

Finolex Industries Limited

(b) Joint Venture Entities

Finolex J- Power Systems Private Limited
Corning Finolex Optical Fibre Private Limited

(c) Promoter/ Promoter Group Entities

Orbit Electricals Private Limited
Finolex Infrastructure Limited
Finolex Plassson Industries Private Limited
Note : Excludes Finolex Industries Limited considered as an Associate company as above.

(d) Enterprises controlled by Key Managerial Personnel (Mr. P. G. Pawar upto 18th September, 2019)

Sakal Media Private Limited
Sakal India Foundation
Sakal Relief Fund

(e) Employee Benefit Funds

Finolex Cables Limited Employee's Group Gratuity and Life Assurance Scheme
Finolex Cables Limited Group Superannuation Scheme

(f) Key Managerial Personnel

Mr. Deepak. K. Chhabria	Executive Chairman and Promotor
Mr. Mahesh Viswanathan	Chief Financial Officer (CFO) (w.e.f - 19th September, 2019) (Earlier - Deputy Managing Director & Chief Financial Officer (CFO) upto - 18th September, 2019)
Mr. R G D'Silva	Company Secretary & President (Legal)
Mr. Yatin Redkar	President Operations (w.e.f 30th September, 2020) (Earlier Executive Director - Operations w.e.f 19th September, 2019 to 29th September, 2020)
Mr. Sunil Upmanyu	Executive Director - Operations (w.e.f. 30th September, 2020)

(g) Relatives of Key Managerial Personnel: (Mr. Deepak. K. Chhabria)

Mr. Kishandas P. Chhabria	Father
Mr. Vijay K. Chhabria	Brother
Mrs. Sunita K. Chhabria	Mother
Mrs. Vini D. Chhabria	Wife
Ms. Radhika D. Chhabria	Daughter

Notes to the Standalone Financial Statements

(h) Non Executive/Independent Directors

Mr. Devender Kumar Vasal	Non-Executive Independent Director (w.e.f 19th September, 2019 to 29th September, 2020)
Mr. Jayaram Rajasekara Reddy	Non-Executive Independent Director (w.e.f 19th September, 2019 to 29th September, 2020)
Mr. Joel Raphael Samuel	Non-Executive Director (w.e.f 19th September, 2019 to 14th August, 2020)
Mr. Shishir Lall	Non-Executive Director (w.e.f. 14th August, 2020 to 29th September, 2020) (Earlier Non Executive Independent Director w.e.f 28th September, 2017 to - 14th August, 2020)
Mrs. Kavita Upadhyay	Non-Executive Independent Woman Director (w.e.f 14th February, 2020 to 29th September, 2020)
Mr. Prasad Deshpande	Non-Executive Director (w.e.f 30th September, 2020)
Mr. P R Barpande	Non-Executive Independent Director (w.e.f 30th September, 2020)
Mr. Avinash S Khare	Non-Executive Independent Director (w.e.f 30th September, 2020)
Mrs. Firoza Kapadia	Non-Executive Independent Woman Director (w.e.f 30th September, 2020)
Mr. P.G. Pawar	Non-Executive Independent Director (upto 18th September, 2019)
Mr. Pradeep R. Rathi	Non Executive Independent Director (upto 9th September, 2019)

Note 35A: Transaction with the related Parties :

(Rs. In Crore)

Particular	Financial Year	Associate	Joint venture Entities	Promoter / Promoter Group Entities	Enterprises controlled by Key Managerial Personnel	Employee Benefit Fund	Key Managerial Personnel & Non-Executive/ Independent Director (Refer note 1 below)	Relatives of Key Managerial Personnel
Investment	2020-21	-	24.50	-	-	-	-	-
	2019-20	-	43.37	-	-	-	-	-
Dividend Paid	2020-21	12.20	-	25.83	-	-	0.52	1.49
	2019-20	9.98	-	21.13	-	-	0.42	1.22
Dividend Received	2020-21	-	-	0.20	-	-	-	-
	2019-20	80.39	-	0.25	-	-	-	-
Rent Paid	2020-21	-	-	0.26	-	-	-	-
	2019-20	-	-	0.25	-	-	-	-
Rent Received	2020-21	-	0.22	0.06	-	-	-	-
	2019-20	-	0.22	0.06	-	-	-	-
Advertisement and Sales Promotion	2020-21	-	-	-	-	-	-	-
	2019-20	-	-	-	0.50	-	-	-
Other Services Provided	2020-21	-	0.05	*	-	-	-	-
	2019-20	-	0.05	*	-	-	-	-
Purchase of Raw Material	2020-21	-	4.21	-	-	-	-	-
	2019-20	-	-	-	-	-	-	-
Contribution to Fund	2020-21	-	-	-	-	3.80	-	-
	2019-20	-	-	-	-	3.38	-	-

Notes to the Standalone Financial Statements

(Rs. In Crore)

Particular	Financial Year	Associate	Joint venture Entities	Promoter / Promoter Group Entities	Enterprises controlled by Key Managerial Personnel	Employee Benefit Fund	Key Managerial Personnel & Non-Executive/ Independent Director (Refer note 1 below)	Relatives of Key Managerial Personnel
Benefit paid to employees from Trust	2020-21	-	-	-	-	1.95	-	-
	2019-20	-	-	-	-	4.69	-	-
Financial Support	2020-21	-	Refer note 3 below	-	-	-	-	-
	2019-20	-	Refer note 3 below	-	-	-	-	-
Corporate Social Responsibility	2020-21	-	-	-	-	-	-	-
	2019-20	-	-	-	1.28	-	-	-
Managerial Remuneration (Refer note 4 below)	2020-21	-	-	-	-	-	14.10	0.02
	2019-20	-	-	-	-	-	13.73	-
Amounts owed by related parties (Receivable)	2020-21	-	0.05	0.25	-	-	-	-
	2019-20	-	0.12	0.25	-	-	-	-
Amounts owed to related parties (Payable)	2020-21	-	4.97	-	-	4.89	8.69	*
	2019-20	-	-	-	-	6.91	8.57	-

* Denotes amount less than Rs. 50,000

Note:

1. Key managerial Personnel are entitled to post- employement benefits recognised as per IND-AS 19-'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of acturial valuation, the same is not included above.
2. All transactions with related parties have been done at arms length basis.
3. In respect of Finolex J Power Systems Private Limited (Joint Venture) whose net worth has been substantially eroded, the Company along with its joint venture partner has committed to provided financial support to the joint venture as and when required.
4. Details of Compensation of Key Managerial Personnel & Non-Executive/ Independent Director:

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Short-term employee benefits	12.64	12.24
Post-employment benefits	-	-
Other long-term benefits	0.66	0.62
Commission and other benefits to non-executive/independent directors	0.82	0.87
Total	**14.12**	**13.73**

Payments made to the directors and other members of key managerial personnel are approved by the Nomination and Remuneration Committee.

Notes to the Standalone Financial Statements

Note 36 : Segment Reporting

Operating segments are reported consistently with the internal reporting provided to the Executive Chairman, the highest decision-making executive who is responsible for allocating resources to and assessing the performance of the operating segments.

A- The business segment has been considered as a primary segment for disclosure. The categories included in each of the reported business segment are as follows.

1. Electrical Cables
2. Communication Cables
3. Copper Rods
4. Others - Trading of Electrical and other goods

The above business segments have been identified considering

1. The nature of the product/services
2. The Related risks and returns
3. The Internal financial reporting systems

Revenues and expenses have been accounted for based on their relationship to the operating activities of the segment. Revenues and expenses which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis have been included under "Unallocable Expenses". Assets and Liabilities which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis have been included under "Unallocable Assets / Liabilities".

(Rs. In Crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Segment Revenue		
A. Electrical cables	2,309.98	2,361.11
B. Communication cables	321.47	408.94
C. Copper rods	574.21	558.83
D. Others	113.62	88.15
Total segment revenue	**3,319.28**	**3,417.03**
Less : Inter segment revenue	(551.17)	(539.73)
Net segment revenue	**2,768.11**	**2,877.30**
Segment Results		
A. Electrical cables	340.59	377.57
B. Communication cables	8.37	25.93
C. Copper rods	1.10	3.43
D. Others	4.25	(6.84)
Total segment results	**354.31**	**400.09**
(Less) : Finance costs	(0.76)	(1.55)
Add /(Less) : unallocable income/(Loss) net of unallocable expenditure	38.57	102.79
Profit before tax	**392.12**	**501.33**
Income Taxes	**109.23**	**98.85**
Profit for the year	**282.89**	**402.48**

Notes to the Standalone Financial Statements

OTHER INFORMATION

(Rs. In Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Segment Assets		
A. Electrical cables	1,090.90	879.31
B. Communication cables	299.75	319.20
C. Copper rods	27.97	20.03
D. Others	43.55	58.06
Unallocable Assets	1,789.59	1,735.19
Total Assets	**3,251.76**	**3,011.79**
Segment Liabilities		
A. Electrical cables	175.04	169.92
B. Communication cables	25.67	17.61
C. Copper rods	17.41	13.95
D. Others	9.59	11.90
Unallocable Liabilities	73.34	79.78
Total Liabilities	**301.05**	**293.16**

For the year ended 31st March, 2021

(Rs. In Crore)

Particulars	Capital Expenditure	Depreciation	Non cash Expenditure other than Depreciation to the extend allocable to the segment
A. Electrical cables	42.09	29.09	1.88
B. Communication cables	2.73	5.71	(0.20)
C. Copper rods	-	0.72	-
D. Others	10.09	3.44	-
Total	**54.91**	**38.96**	**1.68**

For the year ended 31st March, 2020

(Rs. In Crore)

Particulars	Capital Expenditure	Depreciation	Non cash Expenditure other than Depreciation to the extend allocable to the segment
A. Electrical cables	21.83	29.29	4.90
B. Communication cables	1.96	7.64	1.00
C. Copper rods	-	0.78	-
D. Others	8.54	1.20	-
Total	**32.33**	**38.91**	**5.90**

B. Secondary Segment information

The company's operations are mainly confined within India and as such there are no reportable geographical segments.

Notes to the Standalone Financial Statements

Note 37 : Earnings Per Share (EPS)

(Rs. In Crore)

Basic earning per share	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Net Profit for the year attributable to the equity holders	**282.89**	**402.48**
Weighted average number of Equity shares for basic EPS	152,939,345	152,939,345
Par value per share (in Rs.)	2.00	2.00
Basic Earnings per share (in Rs.)	**18.50**	**26.32**
Diluted Earnings per share (in Rs.)	**18.50**	**26.32**

Note: The Company does not have any dilutive potential equity shares in any of the period's , therefore weighted average number of equity shares outstanding at the year end for basic EPS and diluted EPS is same.

Note 38 : COVID-19

The Company's operations have been impacted by the lockdown imposed to contain the spread of COVID-19. The operations gradually resumed in line with the directives of the Government. This was done with requisite precautions ensuring safety of employees. However, despite resumption of operation, there were disruptions due to limited availability of work force, containment zones and curfew restrictions coming up from time to time. The results for the year ended are therefore not comparable with those for the previous years.

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of its assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources of information. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects to recover the carrying amounts of these assets. The Company will continue to closely monitor any material changes to future economic conditions.

Note 39 : Significant Events after the reporting period :

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed.

D.K. Chhabria
Executive Chairman

P.R. Barpande
Director

M. Viswanathan
Chief Financial Officer

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

Pune : 29th June, 2021

Consolidated Financials

Independent Auditor's Report

To The Members of Finolex Cables Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **FINOLEX CABLES LIMITED** ("the Company") and its share of profit (net) in its associate and joint ventures, which comprise the Consolidated Balance Sheet as at 31 March 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the associate and joint venture referred to in the Other Matter section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company, its associate and joint ventures as at 31 March 2021, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Key Audit Matters	Auditor's Response
Impairment assessment for investment in joint venture accounted using equity method (Refer notes 2.2.4, 2.24 and 5 to the consolidated financial statements) The Company has investment in equity shares of a joint venture, Finolex J-Power Systems Private Limited, which has been accounted for using the equity method in the consolidated financial statements. Under the equity method, an investment in a joint venture is recognised initially in the consolidated balance sheet at cost and adjusted thereafter to recognize the company's share of the profit or loss and other comprehensive income of the joint venture. The carrying amount of equity accounted investments are tested for impairment in accordance with Ind AS 36.	**Principal Audit Procedures Performed** We obtained an understanding of the Company's policies and procedures to identify impairment indicators for investment in equity shares of a joint ventures, accounted for using the equity method and performed the following procedures in relation to the Company's management impairment assessment: • We tested the design and operating effectiveness of the company's management controls over review of the impairment testing including those over the forecasts of future cash flows of the joint venture and the selection of the discount rate. • We assessed the commitment provided by the Company and the other joint venture partner for the infusion of funds. We also assessed the history of fund infusion by the Company and the other joint venture partner in the joint venture in the past.

Key Audit Matters	Auditor's Response
The joint venture is making continuous losses and is dependent on continuing support from its two joint venture partners. Due to the presence of impairment indicators, the company's management has tested this investment (carrying value of Rs. 57.74 crores as at 31 March, 2021, net of impairment Rs. 33.28 crores as at 31 March, 2021, Rs.11.70 crores impaired during the year ended 31 March, 2021) for impairment in accordance with Ind AS 36 by comparing its recoverable amount with its carrying amount as at 31 March, 2021. The company's management has determined the recoverable amount based on the discounted cash flows of the joint venture. We considered this as a key audit matter due to significant judgement involved in estimating future cash flows of the joint venture and in determining the discount rate to be used. Changes in these inputs and assumptions could impact the results of the impairment assessment.	• We evaluated the reasonableness of forecasts of future cash flows of the joint venture provided to us by the company's management by comparing the forecasts to historical trend analysis. • With the assistance of our fair value specialists, we evaluated the reasonableness of the valuation methodology and discount rate by developing a range of independent estimates and comparing those to the discount rate selected by the management. • We evaluated the company management's sensitivity analysis around the key assumptions such as discount rate and terminal growth rate, to ascertain the extent of change in those assumptions that would be required for the investment in the joint venture to be impaired. • We assessed the adequacy of disclosures made in the financial statements for the year ended 31 March, 2021.

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

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

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

- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the joint venture and associate audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the joint venture and associate, is traced from their financial statements audited by the other auditors.

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

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Company including its Associate and joint ventures in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the Company and of its associate and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and its associate and its joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Company and of its associate and joint ventures are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Company and of its associate and joint ventures are also responsible for overseeing the financial reporting process of the Company and of its associate and joint ventures.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the associate and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of the Company included in the consolidated financial statements of which we are the independent auditors. For the other entities such as associate and joint venture, which are included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent

auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

The consolidated financial statements also include the Company's share of net profit of Rs. 238.85 crores and total comprehensive income of Rs. 238.92 crores for the year ended 31 March, 2021 as considered in the consolidated financial statements, in respect of 1 associate and 1 joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these joint venture and associate, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid joint venture and associate is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the associate and joint ventures referred to in the Other Matter section above we report, to the extent applicable that:

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

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

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

   e) On the basis of the written representations received from the directors of the Company as on 31 March, 2021 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its associate and joint venture companies incorporated in India, none of the directors of the Company, its associate and joint venture companies incorporated in India is disqualified as on 31 March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Company, associate and joint venture companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

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

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

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

i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Company, its associate and joint ventures.

ii) The Company, its associate and joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts.

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

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
(Partner)
Membership No. 046930
UDIN: 21046930AAAADE5253

Place: Mumbai
Date: 29 June, 2021

Annexure "A" to the Independent Auditor's Report

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

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March, 2021, we have audited the internal financial controls over financial reporting of **FINOLEX CABLES LIMITED** (hereinafter referred to as "the Company") and its associate and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Company, its associate and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company, its associate and its joint ventures, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the associate and joint venture, which are companies incorporated in India, in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company, its associate and joint ventures, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matter paragraph below, the Company, its associate and joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2021, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 1 associate company and 1 joint venture company, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
(Partner)
Membership No. 046930
UDIN: 21046930AAAADE5253

Place: Mumbai
Date: 29 June, 2021

Consolidated Balance Sheet

as at 31st March, 2021

(Rs. In Crore)

	Note No.	As at 31st March, 2021	As at 31st March, 2020
I ASSETS			
NON CURRENT ASSETS			
(a) Property, Plant and Equipment	3	385.93	376.76
(b) Capital Work-in-Progress		25.71	27.29
(c) Intangible Assets	4	0.21	0.45
(d) Right of use asset	4A	8.29	9.32
(e) Investment Accounted for using the equity method	5	845.25	608.88
(f) Financial Assets			
i) Other Investments	6	216.86	265.47
ii) Loans	8	4.38	3.87
(g) Non-Current Tax Assets (net)		20.46	19.51
(h) Other Non-Current Assets	10	35.20	26.08
		1,542.29	**1,337.63**
CURRENT ASSETS			
(a) Inventories	11	755.40	593.06
(b) Financial Assets			
i) Investments	7	509.00	246.55
ii) Trade Receivables	12	176.55	187.02
iii) Cash and Cash Equivalents	13	24.60	856.02
iv) Other Bank balances	14	29.12	77.86
v) Other Financial Assets	9	778.21	55.90
(c) Other Current Assets	15	70.50	52.76
		2,343.38	**2,069.17**
TOTAL ASSETS		**3,885.67**	**3,406.80**
II EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	16	30.59	30.59
(b) Other Equity	17	3,383.92	2,973.12
		3,414.51	**3,003.71**
LIABILITIES			
NON CURRENT LIABILITIES			
(a) Financial Liabilities			
i) Borrowings	18	0.31	0.34
ii) Lease Liabilities	4A	4.18	5.23
(b) Provisions	19	11.72	12.61
(c) Deferred Tax Liabilities (Net)	20	204.21	145.99
		220.42	**164.17**
CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Trade Payables			
(a) Total Outstanding dues of Micro Enterprises and Small Enterprises	21	15.87	5.52
(b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	21	160.16	153.16
(ii) Lease Liabilities	4A	2.18	2.33
(iii) Other Financial Liabilities	22	4.17	3.69
(b) Other Current Liabilities	23	32.11	34.70
(c) Provisions	19	6.85	6.61
(d) Current tax Liabilities (net)		29.40	32.91
		250.74	**238.92**
		471.16	**403.09**
TOTAL EQUITY AND LIABILITIES		**3,885.67**	**3,406.80**

See accompanying notes to the Consolidated Financial Statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 046930
Mumbai : 29th June, 2021

For and behalf of Board of Directors of Finolex Cables Limited

D.K. Chhabria
Executive Chairman

P.R. Barpande
Director

M. Viswanathan
Chief Financial Officer

R.G.D'Silva
Company Secretary
& President (Legal)
Pune : 29th June, 2021

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2021

(Rs. In Crore)

			Note No.	Year Ended 31st March, 2021	Year Ended 31st March, 2020
I	Revenue from operations		24	2,768.11	2,877.30
II	Other income		25	76.99	91.50
III	**Total income**			**2,845.10**	**2,968.80**
IV	**EXPENSES**				
	(a)	Cost of material consumed	26	2,129.91	2,026.15
	(b)	Purchase of stock-in-trade		76.24	57.17
	(c)	Changes in inventories of finished goods, stock-in-trade and work-in-progress	27	(154.71)	0.03
	(d)	Employee benefits expense	28	137.87	149.53
	(e)	Finance Costs	29	0.76	1.55
	(f)	Depreciation and amortization expenses	30	38.96	38.91
	(g)	Other Expenses	31	208.62	261.00
	Total Expenses			**2,437.65**	**2,534.34**
V	**Profit before share of net profit of investments accounted for using equity method and tax**			**407.45**	**434.46**
	Share of net profit of an associate and joint ventures accounted for using the equity method			223.42	77.59
VI	**Profit before Tax**			**630.87**	**512.05**
VII	**Tax Expense**				
	(a)	Current tax	20	112.63	123.24
	(b)	Deferred tax	20	56.78	(2.19)
	Total Tax			**169.41**	**121.05**
VIII	**Profit for the year**			**461.46**	**391.00**
IX	**Other Comprehensive Income / (Expense)**				
	A.	Items that will not be reclassified to profit or loss			
		(i) Re-measurement gain/ (loss) on defined benefit plans		0.66	(3.60)
		(ii) Fair value change on equity instruments		34.09	(34.84)
		(iii) Income tax relating to these items		(1.44)	(2.11)
		(iv) Share of other comprehensive income/(expense) of an associate and joint ventures accounted for using equity method		0.15	(0.85)
	B.	Items that will be reclassified to profit or loss		-	-
X	**Total Other Comprehensive Income / (Expense) for the year**			**33.46**	**(41.40)**
XI	**Total comprehensive income for the year**			**494.92**	**349.60**
	Profit for the year attributable to:				
	-	Owners of the Company		461.46	391.00
	-	Non-controlling interest		-	-
				461.46	**391.00**
	Total Other Comprehensive Income / (Expense) for the year attributable to:				
	-	Owners of the Company		33.46	(41.40)
	-	Non-controlling interest		-	-
				33.46	**(41.40)**
	Total Comprehensive Income for the year attributable to:				
	-	Owners of the Company		494.92	349.60
	-	Non-controlling interest		-	-
				494.92	**349.60**
XII	**Earnings per equity share of face value of Rs. 2 each**				
	(i)	Basic	37	30.17	25.57
	(ii)	Diluted	37	30.17	25.57

See accompanying notes to the Consolidated Financial Statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 046930
Mumbai : 29th June, 2021

For and behalf of Board of Directors of Finolex Cables Limited

D.K. Chhabria
Executive Chairman

P.R. Barpande
Director

M. Viswanathan
Chief Financial Officer

R.G.D'Silva
Company Secretary
& President (Legal)
Pune : 29th June, 2021

Statement of Consolidated Cash Flows

for the year ended 31st March, 2021

(Rs. In Crore)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
A. Cash flows from Operating Activities		
Profit before tax for the year	**630.87**	**512.05**
Adjustments for :		
Finance costs	0.76	1.55
Interest income on financial assets carried at amortised cost	(51.61)	(9.04)
Dividend income	(0.24)	(0.57)
Share of profit of an associate and joint ventures accounted for using the equity method	(223.42)	(77.59)
Net gain/(loss) on investments classified at FVTPL	(21.38)	(73.68)
Allowances for doubtful debts	0.49	5.82
Allowances for doubtful advances	1.16	-
Depreciation and amortisation expenses	38.96	38.91
Impairment of financial assets -Investment in joint venture	11.70	21.58
Loss/(gain) on disposal of property, plant and equipment	0.03	0.08
Loss/(gain) on sale of property, plant and equipment	(243.55)	(92.94)
	387.32	**419.11**
Working Capital Adjustments		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	9.98	18.04
Inventories	(162.34)	(5.86)
Other current assets	(18.90)	23.98
Other current financial assets	(0.03)	0.13
Other non-current assets	0.96	0.09
Loans - non-current	(0.51)	(0.05)
	(170.84)	**36.33**
	216.48	**455.44**
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	17.35	(49.60)
Long term / short term provisions	0.01	0.38
Other current liabilities	(2.59)	12.24
Other current financial liabilities	0.21	0.06
	14.98	**(36.92)**
Cash generated from operations	231.46	418.52
Income tax paid	(117.09)	(109.72)
Net cash generated from Operating Activities	**114.37**	**308.80**

Statement of Consolidated Cash Flows

for the year ended 31st March, 2021

(Rs. In Crore)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
B. Cash flows from Investing Activities		
Dividend received	0.24	80.96
Deposits and bank balances not considered as cash and cash equivalents	(651.26)	(125.22)
Interest received - Others	29.32	3.50
Purchase of investments in mutual funds	(2,884.50)	(2,823.99)
Proceeds from sale of investments in mutual funds	2,726.13	3,527.08
Purchase of investment in joint venture	(24.50)	(43.36)
Purchase of property, plant and equipment	(54.91)	(32.33)
Proceeds from disposal of property, plant and equipment	0.02	0.62
Net cash (used in)/generated from Investing Activities	**(859.46)**	**587.26**
C. Cash flows from Financing Activities		
Other long term borrowings repaid	(0.04)	(0.17)
Dividends paid	(83.84)	(68.38)
Dividend tax paid	-	(14.15)
Interest and other borrowing costs	(0.03)	(0.67)
Repayment of lease liability:		
Principal	(1.69)	(2.17)
Interest	(0.73)	(0.88)
Net cash (used in) Financing Activities	**(86.33)**	**(86.42)**
Net (decrease)/increase in Cash and Cash Equivalents	**(831.42)**	**809.64**
Cash and Cash Equivalents as at 1st April (Opening balance)	**856.02**	**46.38**
Cash and Cash Equivalents as at 31st March (Closing balance)	**24.60**	**856.02**

Notes:

1 Cash and Cash Equivalents include:

(Rs. In Crore)

	As at 31st March, 2021	As at 31st March, 2020
(a) Cash on hand	0.02	0.02
(b) Balances with banks		
In current accounts	24.58	31.00
Deposits with original maturity of less than three months	-	825.00
Cash and Cash Equivalents	**24.60**	**856.02**

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 046930
Mumbai : 29th June, 2021

For and behalf of Board of Directors of Finolex Cables Limited

D.K. Chhabria
Executive Chairman

P.R. Barpande
Director

M. Viswanathan
Chief Financial Officer

R.G.D'Silva
Company Secretary
& President (Legal)
Pune : 29th June, 2021

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2021

A) Equity Share Capital

(Rs. In Crore)

	No. of shares	Amount
Balance as at 31st March, 2019	**152,939,345**	**30.59**
Issued during the year	-	-
Balance as at 31st March, 2020	**152,939,345**	**30.59**
Issued during the year	-	-
Balance as at 31st March, 2021	**152,939,345**	**30.59**

B) Other Equity

(Rs. In Crore)

Description	Reserve and surplus					Item of Other Comprehensive Income	Total
	Securities Premium	Capital Reserve	General Reserve	Share buyback Reserve	Retained Earnings	Equity Instrument through Other Comprehensive Income	
Balance as at 1st April, 2019	**109.10**	**8.41**	**552.36**	**5.52**	**1,946.27**	**84.83**	**2,706.49**
Profit for the year	-	-	-	-	391.00	-	391.00
Other Comprehensive Income/ (Expense) for the year (Net of Tax)	-	-	-	-	(3.54)	(37.86)	(41.40)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**387.46**	**(37.86)**	**349.60**
Dividend Paid	-	-	-	-	(68.82)	-	(68.82)
Dividend Distribution Tax	-	-	-	-	(14.15)	-	(14.15)
Balance as at 31st March, 2020	**109.10**	**8.41**	**552.36**	**5.52**	**2,250.76**	**46.97**	**2,973.12**
Balance as at 1st April, 2020	**109.10**	**8.41**	**552.36**	**5.52**	**2,250.76**	**46.97**	**2,973.12**
Profit for the year	-	-	-	-	461.46	-	461.46
Other Comprehensive Income/ (Expense) for the year (Net of Tax)	-	-	-	-	0.64	32.82	33.46
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**462.10**	**32.82**	**494.92**
Dividend Paid	-	-	-	-	(84.12)	-	(84.12)
Balance as at 31st March, 2021	**109.10**	**8.41**	**552.36**	**5.52**	**2,628.74**	**79.79**	**3,383.92**

See accompanying notes to the Consolidated Financial Statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 046930
Mumbai : 29th June, 2021

For and behalf of Board of Directors of Finolex Cables Limited

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Executive Chairman

P.R. Barpande
Director

M. Viswanathan
Chief Financial Officer

R.G.D'Silva
Company Secretary
& President (Legal)
Pune : 29th June, 2021

Notes to the Consolidated Financial Statements

1. Corporate Information

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

These Consolidated Financial Statements for the year end 31st March, 2021 were approved for issue by the Board of Directors in accordance with their resolution dated 29th June, 2021.

2. Summary of Significant Accounting Policies

2.1 Basis of preparation & presentation and statement of compliance:

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

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

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

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

2.2 Basis of Consolidation

2.2.1 The consolidated financial statements comprise the financial statements of the Company and its Joint Ventures & Associate as at disclosed in note 2.2.9

2.2.2 An Associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

2.2.3 A Joint Venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint ventures. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

2.2.4 The Company's investments in its associate and joint ventures are accounted for using the equity method. Under the equity method, the investment in a joint ventures or an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Company's share of net assets of the associate or joint ventures since the acquisition date. Goodwill relating to the associate or joint ventures is included in the carrying amount of the investment and is not tested for impairment individually.

2.2.5 The statement of profit and loss reflects the Company's share of the results of operations of the associate or joint ventures. Any change in Other Comprehensive Income (OCI) of those investees is presented as part of the Company's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint ventures, the Company recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Company and the associate or joint ventures are eliminated to the extent of the interest in the associate or joint ventures.

2.2.6 If an entity's share of losses of an associate or joint ventures equals or exceeds its interest in the associate or joint ventures (which includes any long term interest that, in substance, form part of the Company's net investment in the associate or joint ventures), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate or joint ventures. If the associate or joint ventures subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

2.2.7 The aggregate of the Company's share of profit or loss of an associate and joint ventures is disclosed on the face of the statement of profit and loss. The financial statements of the associate or joint ventures

Notes to the Consolidated Financial Statements

are prepared for the same reporting period as the Company. When necessary, adjustments are made to bring the accounting policies in line with those of the Company.

2.2.8 After application of the equity method, the Company determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint ventures. At each reporting date, the Company determines whether there is objective evidence that the investment in the associate or joint ventures is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate or joint ventures or and its carrying value, and then recognises the loss as 'Share of profit of a joint ventures and an associate' in the statement of profit or loss.

Upon loss of significant over the associate or joint ventures, the Company measures and recognises any retained investment at its fair value upon loss of significant influence over the associate or joint control over the joint ventures. Any difference between the carrying amount of the associate or joint ventures upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

2.2.9 Details of Associate and Joint Ventures at the end of the reporting period which are considered in the preparation of the consolidated financial statements

Name of Entity	Principal Activity	Nature	Place of Incorporation	Proportion of ownership interest as at 31st March, 2021
Finolex J-Power Systems Pvt. Ltd.	High Voltage Cables	Joint Venture	India	49%
Corning Finolex Optical Fibre Pvt. Ltd.	Optical Fibers	Joint Venture	India	50%
Finolex Industries Ltd.	Pipes and Fittings	Associate	India	32.39%

Other Significant Accounting Policies

2.3 Use of estimates and judgements

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

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

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

2.4 Critical accounting estimates

i) Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The policy for the same has been explained under Note 2.12.

ii) Provisions

Provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. The policy for the same has been explained under Note 2.17.

iii) Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot

Notes to the Consolidated Financial Statements

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

2.5 Current and non-current classification

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is treated as current when it is:

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

The Company classifies all other liabilities as non-current.

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

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

2.6 Revenue recognition

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

The effect on adoption of Ind-AS 115 was insignificant.

Sale of goods

Revenue from the sale of goods is recognized at point in time when control of the goods is transferred to the customer, usually on delivery of the goods, customer acceptance and other indicators of transfer of control of goods to the customer. Revenue from sale of goods is measured at an amount that reflects the consideration ("transaction price") expected to receive in exchange for those goods.

Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividends

Revenue is recognized when the Company's right to receive the dividend is established, which is generally when shareholders approve the dividend.

2.7 Foreign Currencies

The Functional Currency of the company is in the Indian rupee. Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Realised gains and losses as well as exchange differences arising on translation (at year end exchange rates) of monetary assets and monetary liabilities outstanding at the end of the year are recognised in the statement of Profit and Loss.

Notes to the Consolidated Financial Statements

Non -monetary assets and liabilities that all are measured in terms of historical cost in foreign currencies are not retranslated.

2.8 Government Grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grant will be received. Government grants relating to income are determined and recognised in the statement of profit and loss over the period necessary to match them with the cost that they are intended to compensate and presented within other income. Government grants relating to the purchase of property, plant and equipment are reduced from the cost of the assets. The benefit of a Government loan at a below market rate of interest is treated as a Government grant, measured as the difference between proceeds received and the fair value of loan based on prevailing market interest rates.

2.9 Employee Benefits

2.9.1 Defined contribution plans

(a) Provident Fund

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or reduction in the future payments is available.

(b) Superannuation and ESIC

Superannuation fund and employees' state insurance scheme (ESI), which are defined contribution schemes, are charged to the Statement of Profit and Loss on accrual basis. The Company has no further obligations for future superannuation fund benefits other than its annual contributions.

2.9.2 Defined benefits plans (Gratuity)

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans. A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

2.9.3 Compensated absences

The Company provides for the compensated absences subject to Company's certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment or availment. The liability is provided based on the number of days of un-availed leave at each Balance Sheet date on the basis of an independent actuarial valuation using the Projected Unit Credit method. The liability which is not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised based on actuarial valuation as at the Balance Sheet date. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss in the period in which they occur.

Notes to the Consolidated Financial Statements

2.10 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (2.24) Impairment of assets.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred

Notes to the Consolidated Financial Statements

in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.11 Income Taxes

Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India where it generates taxable income, Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Taxes

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

For operations carried out under tax holiday period (80IA benefits of Income Tax Act, 1961), deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

2.12 Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use and for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Depreciation commences when the assets are ready for their intended use. Freehold land and Assets held for sale are not depreciated.

Depreciation is provided for property, plant and equipment so as to expense the cost less residual value over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual value are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

Notes to the Consolidated Financial Statements

The estimated useful lives in respect of Property, plant and equipment are mentioned below:

Asset Class	Useful Life Adopted (Years)	Useful Life as per Schedule –II (Years)
Plant & Machinery	10 to 25*	15
Solar Plant	25	NA
Buildings-Factory	30	30
Buildings-Others	60	60
Furniture & Fittings	10	10
Office Equipments	5	5
Computers & Peripherals	3 to 6	3 to 6
Vehicles	8	8
Dies &Moulds	6*	8

*As evaluated by internal technical personnel

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, as appropriate.

2.13 Intangible Assets

Intangible assets acquired separately are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the statement of profit or loss in the period in which the expenditure is incurred.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

The amortization policy applied to the Company's intangible assets to the extent of depreciable amount is, as follows:

Particular	Amortisation
Computer Software	Over a period of 5 years

2.14 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurred in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.15 Assets Held For Sale

Non-current assets held for sale are measured at the lower of their carrying value and fair value of the assets less costs to sale. Assets and liabilities classified as held for sale are presented separately in the balance sheet. Property, plant and equipment once classified as held for sale are not depreciated/ amortised.

2.16 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of inventories is determined on weighted average. Cost for this purpose includes cost of direct materials, direct labour, appropriate share of overheads. Net realisable value represents the estimated selling price in the ordinary course of business less all estimated costs of completion and estimated costs necessary to make the sale.

Obsolete, defective, unserviceable and slow / non-moving stocks are duly provided for and valued at net realisable value.

2.17 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present

Notes to the Consolidated Financial Statements

obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Warranty Provisions

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the Company's best estimate of the expenditure required to settle the Company's obligation.

2.18 Financial Assets and Financial Liabilities

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

2.19 Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.19.1 Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.19.2 Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

2.19.3 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Notes to the Consolidated Financial Statements

2.19.4 Investment in Joint Ventures and Associate

Investment in Joint Ventures and Associate are measured and stated at cost less impairment as per Ind AS 27 - Separate Financial Statements.

2.19.5 Impairment of financial assets (other than financial assets at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

2.20 Financial liabilities and equity instruments

2.20.1 Classification as debt or equity

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.20.2 Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognized in statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.20.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

2.21 Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately.

2.22 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.23 Earnings per share

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

2.24 Impairment of assets

Assets are tested for impairment whenever changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and

Notes to the Consolidated Financial Statements

value in used. For the purposes of assessing impairment, assets are grouped at the lower levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Nonfinancial assets other than goodwill that suffered an impairment are reviewed for possible reversals of the impairment at the end of each reporting period.

2.25 Recent pronouncements

On 24th March, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1st April, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Notes to the Consolidated Financial Statements

Note 3 : Property, Plant and Equipment

(Rs. In Crore)

	Land	Lease hold Land	Buildings @	Plant and equipment	Furniture & Fittings	Office Equipment	Computers, Peripherals	Vehicles	Total
Cost									
Balance as at 1st April, 2020	36.29	15.30	169.62	357.24	2.66	3.39	3.17	3.90	591.57
Additions	0.08	-	22.17	23.38	0.09	0.07	0.58	-	46.37
(Disposals)	-	-	-	(0.05)	-	-	(0.02)	(0.36)	(0.43)
Balance as at 31st March, 2021	**36.37**	**15.30**	**191.79**	**380.57**	**2.75**	**3.46**	**3.73**	**3.54**	**637.51**
Accumulated Depreciation & Impairment									
Balance as at 1st April, 2020	-	0.85	33.72	173.45	1.24	2.23	1.63	1.69	214.81
Depreciation expense for the year	-	0.16	6.65	28.64	0.18	0.30	0.59	0.63	37.15
(Disposals)	-	-	-	(0.03)	-	-	(0.01)	(0.34)	(0.38)
Balance as at 31st March, 2021	**-**	**1.01**	**40.37**	**202.06**	**1.42**	**2.53**	**2.21**	**1.98**	**251.58**
Net Carrying Amount as at 31st March, 2021	**36.37**	**14.29**	**151.42**	**178.51**	**1.33**	**0.93**	**1.52**	**1.56**	**385.93**

(Rs. In Crore)

	Land	Lease hold Land	Buildings @	Plant and equipment	Furniture & Fittings	Office Equipment	Computers, Peripherals	Vehicles	Total
Cost									
Balance as at 1st April, 2019	35.06	15.30	169.46	348.17	2.39	3.33	2.91	3.99	580.61
Additions	1.23	-	0.16	9.79	0.27	0.06	0.45	0.21	12.17
(Disposals)	-	-	-	(0.72)	-	-	(0.19)	(0.30)	(1.21)
Balance as at 31st March, 2020	**36.29**	**15.30**	**169.62**	**357.24**	**2.66**	**3.39**	**3.17**	**3.90**	**591.57**
Accumulated Depreciation & Impairment									
Balance as at 1st April, 2019	-	0.66	27.10	143.92	1.03	1.90	1.20	1.30	177.11
Depreciation expense for the year	-	0.19	6.62	29.58	0.21	0.33	0.61	0.67	38.21
(Disposals)	-	-	-	(0.05)	-	-	(0.18)	(0.28)	(0.51)
Balance as at 31st March, 2020	**-**	**0.85**	**33.72**	**173.45**	**1.24**	**2.23**	**1.63**	**1.69**	**214.81**
Net Carrying Amount as at 31st March, 2020	**36.29**	**14.45**	**135.90**	**183.79**	**1.42**	**1.16**	**1.54**	**2.21**	**376.76**

Note: @ Buildings include Rs. * crore being cost of ordinary shares in co-operative housing societies

* Denotes amount less than Rs. 50,000.

Note 4 : Intangible Assets

(Rs. In Crore)

	Computer Software $
Cost	
Balance as at 1st April, 2020	**1.54**
Additions	0.04
(Disposals)	-
Balance as at 31st March, 2021	**1.58**
Accumulated Amortisation & Impairment	
Balance as at 1st April, 2020	**1.09**
Amortisation expenses for the year	0.28
(Disposals)	-
Balance as at 31st March, 2021	**1.37**
Net Carrying Amount as at 31st March, 2021	**0.21**

Notes to the Consolidated Financial Statements

(Rs. In Crore)

	Computer Software $
Cost	
Balance as at 1st April, 2019	**1.51**
Additions	0.03
(Disposals)	-
Balance as at 31st March, 2020	**1.54**
Accumulated Amortisation & Impairment	
Balance as at 1st April, 2019	**0.80**
Amortisation expenses for the year	0.29
(Disposals)	-
Balance as at 31st March, 2020	**1.09**
Net Carrying Amount as at 31st March, 2020	**0.45**

Note : $ Other than internally generated intangible assets

Note 4 A : Right of use asset

(Rs. In Crore)

Cost	
Balance as at 1st April, 2020	**9.73**
Addition- on account of adoption of Ind AS 116	0.98
(Disposals)	(0.51)
Balance as at 31st March, 2021	**10.20**
Accumulated Amortisation & Impairment	
Balance as at 1st April, 2020	**0.41**
Amortisation expenses for the year	1.52
(Disposals)	(0.02)
Balance as at 31st March, 2021	**1.91**
Net Carrying Amount as at 31st March, 2021	**8.29**
Cost	
Balance as at 1st April, 2019	**-**
Addition- on account of adoption of Ind AS 116	9.73
(Disposals)	-
Balance as at 31st March, 2020	**9.73**
Accumulated Amortisation & Impairment	
Balance as at 1st April, 2019	**-**
Amortisation expenses for the year	0.41
(Disposals)	-
Balance as at 31st March, 2020	**0.41**
Net Carrying Amount as at 31st March, 2020	**9.32**
Set out below are the carrying amounts of lease liabilities movements during the year	
As at 1st April, 2020	**7.56**
Additions during the year	0.98
Deduction during the year	(0.49)
Accretion of interest	0.73
Payments	(2.42)
As at 31st March, 2021	**6.36**

Notes to the Consolidated Financial Statements

	(Rs. In Crore)
Current	2.18
Non-current	4.18
The effective interest rate for lease liabilities is 9.05%	
The following are the amounts recognised in the statement of profit and loss:	
Depreciation expense of right-of-use assets	1.52
Interest expense on lease liabilities	0.73
Expense relating to short-term leases	-
Expense relating to leases of low-value assets	-
Total amount recognised in the statement of profit and loss	2.25
Set out below are the carrying amounts of lease liabilities movements during the year	
As at 1st April, 2019	**-**
Additions- on account of adoption of Ind AS 116	9.73
Accretion of interest	0.88
Payments	(3.05)
As at 31st March, 2020	**7.56**
Current	2.33
Non-current	5.23
The effective interest rate for lease liabilities is 9.05%	
The following are the amounts recognised in the statement of profit and loss:	
Depreciation expense of right-of-use assets	0.41
Interest expense on lease liabilities	0.88
Expense relating to short-term leases	-
Expense relating to leases of low-value assets	-
Total amount recognised in the statement of profit and loss	1.29

Note 5 : Investment in Associates & Joint Ventures- Non-Current

Measured at cost

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
	(i) Equity shares Quoted		
40,192,597	Equity Shares of Rs. 10 each fully paid in Finolex Industries Limited (Previous Year 40,192,597) (Refer note 5.4)	773.59	534.55
	(ii) Equity shares Unquoted		
220,500,000	Equity Shares of Rs.10 each fully paid in Finolex J-Power Systems Private Limited (Previous Year 196,000,000)	91.02	81.87
-	Less: Provision for Impairment in value of Investments (Refer note 5.3)	(33.28)	(21.58)
1,750,000	Equity Shares of Rs.10 each fully paid in Corning Finolex Optical Fibre Private Limited (Previous Year 1,750,000)	13.92	14.04
	Total	**845.25**	**608.88**

Notes to the Consolidated Financial Statements

Note 5.1 Summarised Financial Information

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
I	**Finolex Industries Limited**		
	Non -Current Assets	2,306.03	1,667.04
	Current Assets	1,987.85	1,224.30
	Non -Current Assets held for sale	-	-
	Non-Current Liabilities	(218.76)	(213.98)
	Current Liabilities	(936.16)	(691.38)
	Net Assets	**3,138.96**	**1,985.98**
	Revenue	3,534.37	3,014.42
	Profit for the year	737.79	332.65
	Other Comprehensive Income/(Expense) for the year	415.19	(623.38)
	Total Comprehensive Income/(Expense) for the year	1,152.98	(290.73)
	Dividends received from the Associate	Nil	80.39
	Reconciliation of the above mentioned summarised financial information to the carrying amount of interest in the Associate recognised in consolidated financial statements:		
	Net assets of the Associate	3,138.96	1,985.98
	Less : Unrealised gain in respect of investments held in the Company by the Associate	(750.60)	(335.63)
	Total	**2,388.36**	**1,650.35**
	Proportion of ownership interest in the Associate	32.39%	32.39%
	Carrying amount of the Group's interest in the Associate	**773.59**	**534.55**
II	**Finolex J-Power Systems Private Limited**		
	Non -Current Assets	144.40	157.22
	Current Assets	134.00	123.75
	Non-Current Liabilites	(17.48)	(21.38)
	Current Liabilities	(75.17)	(92.55)
	Net Assets	**185.75**	**167.04**
	Revenue	50.56	68.75
	(Loss) for the year	(31.34)	(27.44)
	Other Comprehensive Income/(Expense) for the year	0.17	(0.06)
	Total Comprehensive Income/(Expense) for the year	(31.17)	(27.50)
	Dividends received from the Joint Venture	Nil	Nil
	Reconciliation of the above mentioned summarised financial information to the carrying amount of interest in the Joint Venture recognised in consolidated financial statements:		
	Net assets of the Joint Venture	185.75	167.04
	Proportion of ownership interest in the Joint Venture	49%	49%
	Group's interest in Joint Venture	**91.02**	**81.87**
	Less : Impairment (Refer Note 5.3)	(33.28)	(21.58)
	Carrying amount of the Group's interest in the Joint Venture	**57.74**	**60.29**

Notes to the Consolidated Financial Statements

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
III	**Corning Finolex Optical Fibre Private Limited**		
	Non -Current Assets	Nil	Nil
	Current Assets	87.77	108.12
	Non-Current Liabilites	Nil	Nil
	Current Liabilities	(59.94)	(80.04)
	Net Assets	**27.83**	**28.08**
	Revenue	159.64	150.01
	(Loss) for the year	(0.24)	(0.30)
	Other Comprehensive Income/(Expense) for the year	Nil	Nil
	Total Comprehensive Income/(Expense) for the year	(0.24)	(0.30)
	Dividends received from the Joint Venture	Nil	Nil
	Reconciliation of the above mentioned summarised financial information to the carrying amount of interest in the Joint Venture recognised in consolidated financial statements:		
	Net assets of the Joint Venture	27.83	28.08
	Proportion of ownership interest in the Joint Venture	50%	50%
	Carrying amount of the Group's interest in the Joint Venture	**13.92**	**14.04**
	Aggregate carrying value of Quoted Investment	**773.59**	**534.55**
	Aggregate market Value of Quoted Investment	**2,560.27**	**1,570.32**
	Aggregate carrying value of Unquoted Investment	**104.94**	**95.91**
	Aggregate value of impairment in value of assets	**(33.28)**	**(21.58)**
	Aggregate carrying value of Unquoted Investment net of impairment	**71.66**	**74.33**

Note 5.2 : Disclosure as per Ind-AS 27

	Name of investees.	The principal place of business and country of incorporation	Proportion of the ownership interest and proportion of the voting rights
(I)	**Associate**		
	Finolex Industries Limited	India	**32.39%**
(II)	**Joint Ventures**		
	Finolex J-Power Systems Private Limited	India	**49.00%**
	Corning Finolex Optical Fibre Private Limited	India	**50.00%**

Note 5.3 : Disclosure as per Ind-AS 36, on Impairment of Investments in Joint Ventures

The Company's investment in Finolex J Power Systems Private Ltd, (FJPS) is long term and strategic in nature and recognised and disclosed as investment in joint venture accounted for using equity method. FJPS is engaged in manufacturing and sale of extra high voltage power cables. The operations of FJPS continued to be adversely impacted by economic slowdown and has continued to incur losses, resulting in its net worth being partially eroded. The management expects improvement in operations of FJPS upon revival of the economic environment and along with the Joint Venture partner, continues to support FJPS operations by infusion of equity as required.

Considering above, the Company had in accordance with Ind AS - 36 "Impairment of Assets" carried out impairment assessment of its investment in FJPS accounted for using equity method by comparing its recoverable amount (enterprise value) with its carrying amount as at 31st March, 2021.

Notes to the Consolidated Financial Statements

The recoverable amount of the investment in FJPS is assessed based on future discounted cash flows of FJPS (enterprise value).

During the year the company had recorded further impairment of Rs. 11.70 crores (previous year Rs. 21.58 crores) leading to a total impairment Rs. 33.28 crores upto 31st March, 2021.

Key assumptions used for value in use to determine the recoverable value are:
1- Discount rate - Weighted Average Cost of Capital (WACC) - 18% (Previous year 16%)

Note 5.4 : Finolex Industries Limited
The members of the Company through Postal Ballot dated 26th March, 2021 have accorded approval for Sub-division of Equity Shares of Finolex Industries Limited from face value of Rs. 10/- (Rupees Ten Only) each to face value of Rs. 2/- (Rupees Two Only) each from record date i.e 16th April, 2021. Accordingly, the number of shares will increase from 40,192,597 to 200,962,985 and face value will reduce from Rs. 10 per share to Rs. 2 per share from 16th April, 2021.

Note 6 : Other Investments - Non-Current

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
a)	**Investments at fair value through Other Comprehensive Income (FVTOCI) (fully paid)**		
	i) Equity shares- Quoted		
61,000	Equity Shares of Rs. 2 each fully paid in Bharat Forge Limited (Previous Year 61,000)	3.64	1.43
358,500	Equity Shares of Rs. 10 each fully paid in IndusInd Bank Limited (Previous Year 358,500)	34.20	12.59
168,750	Equity Shares of Rs.5 each fully paid in BF Utilities Limited (Previous Year 168,750)	4.16	2.43
168,750	Equity Shares of Rs.5 each fully paid in BF Investment Limited (Previous Year 168,750)	4.67	3.86
300	Equity Shares of Rs. 10 each fully paid in Delton Cables Limited (Previous Year 300)	*	*
25,096	Equity Shares of Rs. 2 each fully paid in ICICI Bank Limited (Previous Year 25,096)	1.46	0.81
200,000	Equity Shares of Rs. 5 each fully paid in Kirloskar Ferrous Limited (Previous Year 200,000)	3.29	0.86
100	Equity Shares of Rs. 2 each fully paid in Nicco Corporation (Previous Year 100)	*	*
100	Equity Shares of Re. 1 each fully paid in Usha Martin Education & Solutions Limited (Previous Year 100)	*	*
100	Equity Shares of Rs. 10 each fully paid in Sterlite Power Transmission Limited (Previous Year 100)	*	*
	Total Equity shares - Quoted (i)	**51.42**	**21.98**
	ii) Equity shares Unquoted		
1,000,000	Equity Shares of Rs. 10 each fully paid in Finolex Plasson Industries Pvt Limited (Previous Year 1,000,000)	30.67	29.38
1,000	Equity shares of Rs.10 each fully paid up in the Saraswat Co-op Bank Ltd.(Previous year 1,000)	*	*

Notes to the Consolidated Financial Statements

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
967,700	Equity Shares of Rs. 10 each fully paid in SICOM India Limited (Previous Year 967,700)	8.04	8.48
5,373,938	Equity Shares of Rs. 10 each fully paid in Finolex Infrastructure Limited (Previous Year 5,373,938)	12.38	8.58
	Total Equity shares -Unquoted (ii)	**51.09**	**46.44**
	Total FVTOCI Investments (i+ii)	**102.51**	**68.42**
b)	**Investments at fair value through Profit & Loss (FVTPL)**		
	Investment in Fixed Maturity Plan - Unquoted		
5,000,000	Units of Rs. 10 each of Axis Fixed Term Plan Series 102 (1,133 Days) - Growth (Previous Year 5,000,000)	6.02	5.55
-	Units of Rs. 10 each of Franklin India Fixed Maturity Plan-Series 2 Plan A (1,224 Days) - Growth (Previous Year 10,000,000)	-	11.82
5,000,000	Units of Rs 10 each of Franklin India Fixed Maturity Plan-Series 6 Plan C (1,169 Days) - Growth (Previous Year 5,000,000)	6.02	5.52
5,000,000	Units of Rs.10 each of HDFC FMP - (1,133 Days) - Feb 2019 (1) - Regular -Growth-Series 44 (Previous Year 5,000,000)	6.01	5.53
5,000,000	Units of Rs.10 each of HDFC FMP - (1,126 Days) - Mar 2019 (1) - Regular -Growth-Series 44 (Previous Year 5,000,000)	6.00	5.51
-	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series OX (1,234 Days)-Growth-Regular Plan (Previous Year 10,000,000)	-	11.87
-	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PB (1,190 Days)-Growth-Regular Plan (Previous Year 2,500,000)	-	2.96
-	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PD (1,177 Days)-Growth-Regular Plan (Previous Year 2,500,000)	-	2.96
-	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PE (1,159 Days)-Growth-Regular Plan (Previous Year 2,500,000)	-	2.95
-	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PH (1,143 Days)-Growth-Regular Plan (Previous Year 2,500,000)	-	2.95
10,000,000	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series SI (1,141 Days)-Regular -Growth (Previous Year 10,000,000)	12.08	11.11
5,000,000	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series SJ (1,135 Days)-Regular -Growth (Previous Year 5,000,000)	6.02	5.54
-	Units of Rs. 10 each of ICICI Prudential Fixed Maturity Plan-Series 82 - (1,185 Days) Plan M Cumulative (Previous Year 2,500,000)	-	2.96
-	Units of Rs.. 10 each of ICICI Fixed Maturity Plan Series 82-(1,236 Days)- Plan A Cumulative (Previous Year 5,000,000)	-	5.96
10,000,000	Units of Rs. 10 each of ICICI Fixed Maturity Plan Series 85 - (1,156 Days) -Plan G Cumulative (Previous Year 10,000,000)	12.10	11.12
10,000,000	Units of Rs. 10 each of Kotak FMP Series 263 -Growth (Regular Plan) (Previous Year 10,000,000)	12.01	11.11
10,000,000	Units of Rs. 10 each of Kotak FMP Series 265 -Growth (Regular Plan) (Previous Year 10,000,000)	12.04	11.06
5,000,000	Units of Rs. 10 each of Nippon India Fixed Horizon Fund-XLI-Series 1 - Growth Plan-GWGPG (Previous Year 5,000,000)	6.01	5.53

Notes to the Consolidated Financial Statements

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
-	Units of Rs. 10 each of Nippon India Fixed Horizon Fund - XXXV-Series 7- Growth Plan- P7GPG (Previous Year 10,000,000)	-	11.90
-	Units of Rs. 10 each of Nippon India Fixed Horizon Fund - XXXV-Series 14 (1,214 Days)- Growth Plan- S6GPG (Previous Year 2,500,000)	-	2.97
-	Units of Rs. 10 each of Nippon India Fixed Horizon Fund - XXXV-Series 15 (1,207 Days)- Growth Plan - S7GPG (Previous Year 2,500,000)	-	2.97
-	Units of Rs. 10 each of SBI Debt Fund Series - C -7 (1,190 Days) - Regular Growth (Previous Year 5,000,000)	-	5.88
-	Units of Rs. 10 each of SBI Debt Fund Series - C - 9 (1,150 Days) - Regular Growth (Previous Year 2,500,000)	-	2.94
10,000,000	Units of Rs. 10 each of SBI Debt Fund Series - C - 48 (1,177 Days) - Regular Growth (Previous Year 10,000,000)	12.00	11.02
-	Units of Rs. 10 each of L&T FMP Series 16 - Plan A (1,223 Days) - Growth (Previous Year 5,000,000)	-	5.93
-	Units of Rs. 10 each of UTI Fixed Term Income Fund Series - XXVIII - IV (1,204 Days) - Growth Plan (Previous Year 5,000,000)	-	5.95
-	Units of Rs. 10 each of UTI Fixed Term Income Fund Series - XXVIII - XI (1,161 Days) - Growth Plan (Previous Year 2,500,000)	-	2.96
-	Units of Rs. 10 each of UTI Fixed Term Income Fund Series - XXVIII-VI (1,190 Days) - Growth Plan (Previous Year 2,500,000)	-	2.98
-	Units of Rs. 10 each of UTI Fixed Term Income Fund Series - XXVIII-VIII (1,171 Days) - Growth Plan (Previous Year 2,500,000)	-	2.98
5,000,000	Units of Rs. 10 each of UTI Fixed Term Income Fund Series XXXI - X (1,168 Days) Regular Growth Plan (Previous Year 5,000,000)	6.01	5.52
10,000,000	Units of Rs. 10 each of Sundaram Fixed Term Plan IS - Regular Plan-Growth Option (Previous Year 10,000,000)	12.03	11.04
	Total Investments at FVTPL	**114.35**	**197.05**
	Total Other Investments 6=(a+b)	**216.86**	**265.47**
	Aggregate carrying value and Market Value of Quoted Investments	**51.42**	**21.98**
	Aggregate carrying value of Unquoted Investments	**165.44**	**243.49**

* Denotes amount less than Rs. 50,000

Note 7 : Current Investments

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
Investments at fair value through profit or loss (FVTPL)			
	Investments in Mutual Funds /Current portion of Fixed Maturity Plan (FMP) - Unquoted		
88,562	Units of Rs. 1000 each of Axis Liquid Fund-Growth (Previous Year 58,335)	20.13	12.80
139,933	Units of Rs.10 each of Axis Overnight Fund Reg Gr(Previous Year Nil)	15.21	-
611,169	Units of Rs. 100 each of Aditya Birla Sun Life Liquid Fund-Growth-Regular Plan (Previous Year 270,373)	20.13	8.59

Notes to the Consolidated Financial Statements

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
46,446	Units Of Rs.10 each of Aditya Birla Sunlife Overnight Reg-Gr Plan (PreviousYear Nil)	5.15	-
68,937	Units of Rs. 1,000 each of DSP Liquidity Fund-Regular Plan-Growth (Previous Year 39,716)	20.13	11.21
46,940	Units of Rs. 10 each of DSP Overnight fund-Regular Plan-Growth (Previous Year Nil)	5.16	-
-	Units of Rs.1,000 each of Franklin India Liquid Fund-Super Institutional Plan-Growth Plan (Previous Year 18,138)	-	5.39
50,087	Units of Rs.1,000 each of HDFC Liquid Fund - Growth (Previous Year 18,769)	20.12	7.29
33,430	units of Rs. 10 eachof HDFC Overnight Fund- Gr (Previous Year Nil)	10.16	-
-	Units of Rs.1,000 each of HSBC Cash Fund - Growth (Previous Year 29,490)	-	5.81
664,149	Units of Rs. 100 each of ICICI Prudential Liquid Fund- Growth (Previous Year 237,023)	20.13	6.93
904,373	Units of Rs. 10 each of ICICI prudential Overnight Fund- Reg-gr plan (Previous Year Nil)	10.01	-
53,569	Units of Rs. 1,000 each of Invesco India Liquid Fund - Growth Option (Previous Year Rs. 31,817)	15.05	8.64
48,151	Units of Rs. 10 each of Invesco India Overnight fund -Reg- Gr plan (Previous Year Nil)	5.01	-
61,005	Units of Rs. 1,000 each of IDFC Cash Fund -Growth-Regular Plan (Previous Year 36,148)	15.09	8.64
45,722	Units of Rs. 10 each of IDFC overnight Fund -Growth Plan (Previous Year Nil)	5.01	-
98,215	Units of Rs. 10 each of L&T overnight fund - Reg- Gr plan (Previous Year Nil)	15.02	-
71,511	Units of Rs. 1,000 each of L&T Liquid Fund - Regular - Growth (Previous Year 57,183)	20.07	15.50
147,597	Units of Rs. 10 each of Kotak overnight fund - Reg- Gr plan (Previous Year Nil)	16.18	-
48,603	Units of Rs.1,000 each of Kotak Liquid Fund Regular Plan -Growth (Previous Year 44,876)	20.13	17.95
62,347	Units of Rs.1,000 each of Tata Liquid Fund-Regular Plan-Growth (Previous Year 17,977)	20.11	5.60
59,967	Units of Rs.1,000 each of UTI Liquid Cash Regular Plan -Growth (Previous Year 25,683)	20.11	8.31
25,088	Units of Rs. 10 each of UTI Overnight Fund-Reg-Gr Plan (Previous Year Nil)	7.01	-
47,096	Units of Rs. 10 each of LIC Overnight Fund-Reg-Gr Plan (Previous Year Nil)	5.01	-
40,758	Units of Rs.1,000 each of LIC MF Liquid Fund-Regular Plan-Growth (Previous Year Nil)	15.09	-
40,272	Units of Rs.1,000 each of Nippon India Liquid Fund -Growth Plan - Growth Option (Previous Year Nil)	20.13	-

Notes to the Consolidated Financial Statements

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
62,838	Units of Rs.1,000 each of SBI Premier Liquid Fund-Regular Plan-Growth (Previous Year Nil)	20.13	-
-	Units of Rs. 10 each of Franklin India Fixed Maturity Plan-Series 1 Plan A -(1,108 Days) Growth (Previous Year 7,500,000)	-	9.23
-	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series OF (1,151 Days)-Growth-Regular Plan (Previous Year 10,000,000)	-	12.33
-	Units of Rs. 10 each of ICICI Prudential Fixed Maturity Plan-Series 80 - (1,245 Days) Plan L Cumulative (Previous Year 10,000,000)	-	12.47
-	Units of Rs. 10 each of IDFC Fixed Term Plan Series 131 Regular Plan - Growth (1,139 Days) (Previous Year 12,500,000)	-	15.42
-	Units of Rs. 10 each of Kotak FMP Series 200 Growth (Regular Plan) (Previous Year 10,000,000)	-	12.27
-	Units of Rs. 10 each of SBI Debt Fund Series - B -49 (1,170 Days) - Regular Growth (Previous Year 10,000,000)	-	12.29
-	Units of Rs. 10 each of UTI Fixed Term Income Fund Series - XXVI - V (1,160 Days) - Growth Plan (Previous Year 10,000,000)	-	12.54
-	Units of Rs. 10 each of DSP FMP-Series 204 (37M)-Regular Plan-Growth (Previous Year 10,000,000)	-	12.35
-	Units of Rs. 10 each of Nippon India Fixed Horizon Fund - XXXIII- Series 3- Growth Plan- VRGP (Previous Year 10,000,000)	-	12.50
-	Units of Rs. 10 each of Nippon India Fixed Horizon Fund - XXXIII- Series 4- Growth Plan- VSGPG (Previous Year 10,000,000)	-	12.49
1,363,564	Units of Rs. 10 each of Nippon India Overnight Fund-Reg-Gr Plan (Previous Year Nil)	15.03	-
45,219	Units of Rs. 10 each of SBI Overnight Fund-Reg-Gr Plan (Previous Year Nil)	15.01	-
9,190	Units of Rs. 10 each of Sundaram Overnight Fund-Reg-Gr Plan (Previous Year Nil)	1.00	-
2,326,910	Units of Rs.10 each of Sundaram Money Fund- Regular-Growth (Previous Year Nil)	10.03	-
46,200	Units of Rs. 10 each of Tata Overnight Fund-Reg-Gr Plan (Previous Year Nil)	5.01	-
2,500,000	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PB (1,190 Days)-Growth-Regular Plan (Previous Year Nil)	3.14	-
2,500,000	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PD (1,177 Days)-Growth-Regular Plan (Previous Year Nil)	3.14	-
2,500,000	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PE (1,159 Days)-Growth-Regular Plan (Previous Year Nil)	3.13	-
2,500,000	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series PH (1,143 Days)-Growth-Regular Plan (Previous Year Nil)	3.13	-
10,000,000	Units of Rs. 10 each of Aditya Birla Sun Life Fixed Term Plan-Series OX (1,234 Days)-Growth-Regular Plan (Previous Year Nil)	12.57	-
10,000,000	Units of Rs. 10 each of Franklin India Fixed Maturity Plan-Series 2 Plan A (1,224 Days) - Growth (Previous Year Nil)	12.55	-
2,500,000	Units of Rs. 10 each of ICICI Prudential Fixed Maturity Plan-Series 82 - (1,185) Days Plan M Cumulative (Previous Year Nil)	3.15	-

Notes to the Consolidated Financial Statements

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
5,000,000	Units of Rs. 10 each of ICICI Fixed Maturity Plan Series 82-(1,236 Days)-Plan A Cumulative (Previous Year Nil)	6.30	-
5,000,000	Units of Rs. 10 each of L&T FMP Series 16 - Plan A (1,223 Days) - Growth (Previous Year Nil)	6.27	-
10,000,000	Units of Rs. 10 each of Nippon India Fixed Horizon Fund - XXXV-Series 7- Growth Plan- P7GPG (Previous Year Nil)	12.65	-
2,500,000	Units of Rs. 10 each of Nippon India Fixed Horizon Fund - XXXV-Series 14 (1,214 Days)- Growth Plan- S6GPG (Previous Year Nil)	3.16	-
2,500,000	Units of Rs. 10 each of Nippon India Fixed Horizon Fund - XXXV-Series 15 (1,207 Days)- Growth Plan- S7GPG (Previous Year Nil)	3.16	-
5,000,000	Units of Rs. 10 each of SBI Debt Fund Series - C -7 (1,190 Days) - Regular Growth (Previous Year Nil)	6.23	-
2,500,000	Units of Rs. 10 each of SBI Debt Fund Series - C - 9 (1,150 Days) - Regular Growth (Previous Year Nil)	3.11	-
5,000,000	Units of Rs. 10 each of UTI Fixed Term Income Fund Series - XXVIII - IV (1,204 Days) - Growth Plan (Previous Year Nil)	6.30	-
2,500,000	Units of Rs. 10 each of UTI Fixed Term Income Fund Series - XXVIII - XI (1,161 Days) - Growth Plan (Previous Year Nil)	3.15	-
2,500,000	Units of Rs. 10 each of UTI Fixed Term Income Fund Series - XXVIII-VI (1,190 Days) - Growth Plan (Previous Year Nil)	3.15	-
2,500,000	Units of Rs. 10 each of UTI Fixed Term Income Fund Series - XXVIII - VIII (1,171 Days) - Growth Plan (Previous Year Nil)	3.15	-
	Total Current Investments	**509.00**	**246.55**

Note 8 : Loans - Non Current

(Unsecured , considered good)

(Rs. In Crore)

	As at 31st March, 2021	As at 31st March, 2020
(a) Security Deposits	4.38	3.87
	4.38	**3.87**

Note 9: Other Financial Assets

(Unsecured, considered good)

(Rs. In Crore)

		Non-Current		Current	
		As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Carried at amortised cost					
(a)	Fixed Deposit with Banks	-	-	700.00	-
(b)	Fixed Deposit - Margin Money	-	-	0.30	0.27
(c)	Deposits with others			50.00	50.00
(d)	Interest accrued on Fixed Deposit	-	-	27.91	5.63
		-	**-**	**778.21**	**55.90**

Notes to the Consolidated Financial Statements

Note 10 : Other Non-Current Assets

(Unsecured, considered good)

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
(a)	Capital Advance	16.75	6.67
(b)	Balances with Government Authorities		
	(i) Sales Tax Receivables	15.74	15.38
	(ii) Excise Duty Receivables	2.19	3.51
	(iii) Other Receivables	0.52	0.52
		35.20	**26.08**

Note 11 : Inventories

(Lower of cost and net realisable value unless stated)

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
(a)	Raw materials	127.30	116.58
(b)	Work in progress	166.24	131.02
(c)	Finished goods	416.95	297.34
(d)	Stock in Trade (in respect of goods acquired for trading)	19.30	19.42
(e)	Stores & Spares	23.65	23.23
(f)	Scrap	1.96	5.47
	Total inventories	**755.40**	**593.06**
	Included above, goods-in-transit:		
	Raw materials	13.22	16.26
	Total goods-in-transit	**13.22**	**16.26**

Note 12 : Trade Receivables - (Unsecured)

(Rs. In Crore)

	As at 31st March, 2021	As at 31st March, 2020
Considered good	176.55	187.02
Considered doubtful	16.24	15.75
Total	**192.79**	**202.77**
Less: Allowances for credit Losses	16.24	15.75
	176.55	**187.02**

Note 12.1

Trade Receivables :

The average credit period for the Company's receivables is in the range of 30 to 60 days in respect of institutional sales and upto 190 days in case of sales to government owned entities. No interest is charged on trade receivables. Trade receivables balance as at 31st March, 2021 includes Rs. 84.51 crores (31st March, 2020, Rs. 78.38 crores) due from Bharat Sanchar Nigam Ltd, Bharat Broadband Nigam Ltd, North Central Railway and Telecommunication Consultants India Ltd, Rs. 30.87 crores (31st March, 2020, Rs. 33.35 crores) due from Minda Corporation Ltd and D-Link India Limited which represents Company's large customers. Apart from the above there are no customers who individually represents more than 5% of the total balance of trade receivables.

Notes to the Consolidated Financial Statements

Expected credit loss

The Company assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The concentration of credit risk is limited due to the fact that the large customers are mainly government entities.

The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. Movement in the expected credit loss allowance:

(Rs. In Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the year	15.75	9.93
Movement in the expected credit loss allowance on trade receivables calculated at lifetime expected credit losses (net)	0.49	5.82
Balance at the end of the year	**16.24**	**15.75**

Note 13 : Cash and Cash Equivalents

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
(a)	**Balances with banks:**		
	In Current Accounts	24.58	31.00
	Deposits with original maturity of less than three months	-	825.00
(b)	**Cash on hand**	0.02	0.02
		24.60	**856.02**

Note 14 : Other Bank Balances

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
(a)	In Earmarked Accounts		
	Unclaimed dividend	3.14	2.86
(b)	Fixed Deposits with maturity greater than 3 months but less than 12 months	25.98	75.00
		29.12	**77.86**

Notes to the Consolidated Financial Statements

Note 15 : Other Current Assets

(Unsecured, considered good)

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
(a)	Goods and Services Tax Receivable	25.42	22.93
(b)	Government Grant Receivable	0.55	0.55
(c)	Balances with Government authorities (Income Tax)	0.28	0.28
(d)	**Other Advances**		
	Considered Good	43.56	28.18
	Considered Doubtful	1.16	-
		44.72	**28.18**
	Less: Allowances for doubtful advances	1.16	-
	Total Other Advances	**43.56**	**28.18**
(e)	Prepaid Expenses	0.69	0.82
		70.50	**52.76**

Note 16 : Equity Share Capital

(Rs. In Crore)

		As at 31st March, 2021		As at 31st March, 2020	
		No of shares	(Rs. In Crore)	No of shares	(Rs. In Crore)
I	**Authorised Share Capital**				
	235,000,000 (Previous year 235,000,000) Equity shares of Rs. 2/-each	235,000,000	47.00	235,000,000	47.00
	3,000,000 (Previous year 3,000,000) Unclassified shares of Rs. 10/- each	3,000,000	3.00	3,000,000	3.00
		238,000,000	**50.00**	**238,000,000**	**50.00**
II	**Issued, Subscribed and Paid up Share Capital**				
	Equity shares of Rs. 2 each issued, subscribed and fully paid	152,939,345	30.59	152,939,345	30.59

(Rs. In Crore)

		As at 31st March, 2021		As at 31st March, 2020	
		No of Shares	(Rs. In Crore)	No of Shares	(Rs. In Crore)
(a)	**Reconciliation of Equity Shares at the beginning and at the end of the reporting period.**				
	Balance at the beginning of the year	152,939,345	30.59	152,939,345	30.59
	Issued during the year	-	-	-	-
	Outstanding at the end of the year	**152,939,345**	**30.59**	**152,939,345**	**30.59**

(b) Terms/ rights attached to equity shares

The Company has issued only one class of equity shares having a par value of Rs.2 per share. Each holder of equity shares is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend.

Notes to the Consolidated Financial Statements

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

On 29th June, 2021, the Board of Directors of the company have proposed a final dividend of Rs. 5.50 per share in respect of the year ended 31st March, 2021 subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in a cash outflow of Rs. 84.12 crores.

	As at 31st March, 2021		As at 31st March, 2020	
	No of Shares	% Holding	No of Shares	% Holding
(c) Details of shareholders holding more than 5% Shares in the company				
Finolex Industries Limited	22,187,075	14.51	22,187,075	14.51
Orbit Electricals Pvt. Limited	46,956,120	30.70	46,956,120	30.70
Franklin Templeton Mutual Fund	10,031,928	6.56	10,307,565	6.74
DSP Small Cap Fund	8,101,218	5.30	-	-

Note 17 : Other Equity

(Rs. In Crore)

			As at 31st March, 2021	As at 31st March, 2020
(i)	**Securities Premium**		109.10	109.10
(ii)	**Capital Reserve**		8.41	8.41
(iii)	**General Reserve**		552.36	552.36
(iv)	**Share buy back reserve**		5.52	5.52
(v)	**Retained Earnings**			
		Opening Balance	2,250.76	1,946.27
	Add:	Other Comprehensive Income/(Expenses) arising from Remeasurement of Defined Benefit Obligation (Net of Tax)	0.64	(3.54)
		Profit for the year	461.46	391.00
	Less:	Payment of dividend	(84.12)	(68.82)
		Dividend distribution tax	-	(14.15)
		Closing Balance	**2,628.74**	**2,250.76**
(vi)	**Equity Instrument through Other Comprehensive Income**			
	Opening Balance		46.97	84.83
	Add/(Less):	Change in Fair Value of Equity Instrument through other Comprehensive Income	34.09	(34.84)
	Add/(Less):	Deferred Tax	(1.27)	(3.02)
		Closing Balance	**79.79**	**46.97**
	Total		**3,383.92**	**2,973.12**

Nature and purpose:

Securities Premium

Securities Premium is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

Notes to the Consolidated Financial Statements

Capital Reserve

The Company recognises the difference on purchase, sale, issue or cancellation of Company's own equity instruments to Capital Reserve. Capital Reserve is utilised in accordance with the provisions of the Companies Act, 2013.

General Reserve

General Reserve is used from time to time to transfer profits from Retained Earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General Reserve will not be reclassified subsequently to statement of profit and loss.

Share buy back reserve

During the earlier years, the Company had bought back its own equity out of free reserves. Share buy back reserve (Capital Redemption Reserve) represents amount set aside in respect of nominal value of the shares bought back as per the Companies Act, 2013.

Retained Earnings

Retained Earnings are the profits of the Company earned till date net of appropriations.

Equity Instruments through Other Comprehensive Income

This Reserve represents the cumulative gains and losses arising on revaluation of equity instruments measured at fair value through Other Comprehensive Income, net of amounts reclassified to retained earnings when those assets are disposed off.

Note 18 : Non-Current Borrowings

(Rs. In Crore)

	As at 31st March, 2021	As at 31st March, 2020
Non-current Borrowings		
Finance lease obligation	0.31	0.34
	0.31	**0.34**

Note 18.1: Repayment Details of Loans

Finance lease obligation: Repayable over 78 Years, last installment in financial year 2096-97.

Note 19 : Provisions

(Rs. In Crore)

	Non-Current		Current	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Provision for Employee Benefits				
Gratuity	1.19	3.11	3.69	3.80
Leave Encashment	10.53	9.50	3.16	2.81
	11.72	**12.61**	**6.85**	**6.61**

Notes to the Consolidated Financial Statements

Note 20 : Tax Expense and Deferred Tax Liability (net)

Note 20.1 : Tax Expense

1. Income Tax recognised in Statement of profit and loss

(Rs. In Crore)

	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Current Tax:		
In respect of current year	112.63	124.83
In respect of previous year	-	(1.59)
	112.63	**123.24**
Deferred tax:		
In respect of current year	56.78	(2.19)
	56.78	(2.19)
Total Income Tax expense recognised during the year	**169.41**	**121.05**

2. Income Tax recognised in Other Comprehensive Income

(Rs. In Crore)

	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Deferred tax on fair value changes on equity instruments at FVTOCI	(1.44)	(2.11)
Total Income Tax expense recognised in other comprehensive income during the year	**(1.44)**	**(2.11)**

3. The Income Tax expenses for the year can be reconciled to the accounting profit as follows.

(Rs. In Crore)

	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Profit before tax and share of net profit of an associate and Joint venture considered for tax working	407.45	434.46
Income tax expenses calculated at 25.17% (Previous year 25.17 %)	98.69	109.35
Effect of income that is exempt from tax	(0.06)	5.43
Effect of decrease in applicable tax rate in India	-	(14.59)
Effect of items that are not deductible in determining taxable profit	12.91	8.11
Effect of tax on other items	(1.72)	(6.78)
Effect of Tax on undistributed profit	60.18	22.20
Adjustments recognised in the current year in relation to the current tax of prior years	-	(1.59)
Effect of tax at differential tax rates	(0.59)	(1.08)
Income tax expenses recogninsed in statement of profit and loss	**169.41**	**121.05**

Note:

1. The tax rate used for the year ended 31st March, 2021 and 31st March, 2020 reconciliations above is the corporate tax rate of 25.17% respectively, payable by corporate entities in India on taxable profits under Indian Income Tax Laws.

Notes to the Consolidated Financial Statements

Note 20.2 : Deferred Tax Liability (net)

1. The following is the analysis of Deferred Tax Liability (net) presented in the Balance Sheet:

(Rs. In Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Deferred tax assets	10.22	8.91
Deferred tax liabilities	(214.43)	(154.90)
Total - Deferred tax Liabilities (net)	**(204.21)**	**(145.99)**

2. The tax effect of significant timing differences that has resulted in deferred tax liabilities are given below:

(Rs. In Crore)

Particulars	For the year ended 31st March, 2021				
	Opening balance	Recognised in Profit and loss	Recognised in OCI	Impact on account of IND AS 116	Closing balance
Deferred Tax Assets in relation to					
Employee Benefits	4.84	0.01	(0.17)	-	4.68
Allowance for Doubtful Debt	3.96	0.42	-	-	4.38
Others	0.11	1.05	-	-	1.16
Total	**8.91**	**1.48**	**(0.17)**	**-**	**10.22**
Deferred Tax Liabilities in relation to					
Property, Plant and Equipment	30.85	(2.00)	-	-	28.85
Undistributed profit of associate	109.93	60.18	-	-	170.11
Financial assets at fair value through OCI	6.15	-	1.27	-	7.42
Financial assets at fair value through Profit and loss	7.53	0.04	-	-	7.57
Lease liabilities	0.44	0.04	-	-	0.48
Total	**154.90**	**58.26**	**1.27**	**-**	**214.43**
Deferred tax Liabilities (net)	**(145.99)**	**(56.78)**	**(1.44)**	**-**	**(204.21)**

(Rs. In Crore)

Particulars	For the year ended 31st March, 2020				
	Opening balance	Recognised in Profit and loss	Recognised in OCI	Impact on account of IND AS 116	Closing balance
Deferred Tax Assets in relation to					
Employee Benefits	5.36	(1.43)	0.91	-	4.84
Allowance for Doubtful Debt	3.47	0.49	-	-	3.96
Others	0.16	(0.05)	-	-	0.11
Total	**8.99**	**(0.99)**	**0.91**	**-**	**8.91**
Deferred Tax Liabilities in relation to					
Property, Plant and Equipment	37.61	(6.76)	-	-	30.85
Undistributed profit of associate	87.73	22.20	-	-	109.93
Financial assets at fair value through OCI	3.13	-	3.02	-	6.15
Financial assets at fair value through Profit and loss	26.59	(19.06)	-	-	7.53
Lease liabilities	-	-	-	0.44	0.44
Total	**155.06**	**(3.62)**	**3.02**	**0.44**	**154.90**
Deferred tax Liabilities (net)	**(146.07)**	**2.63**	**(2.11)**	**(0.44)**	**(145.99)**

Notes to the Consolidated Financial Statements

Note 21 : Trade Payables

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
(a)	Total Outstanding Dues of micro enterprises and small enterprises	15.87	5.52
(b)	Total Outstanding Dues of Creditors other than micro enterprises and small enterprises		
	(i) Trade payables	133.81	132.58
	(ii) Accrued Salaries and Benefits	26.35	20.58
		160.16	**153.16**
	Total	**176.03**	**158.68**

Note 21.1 : Dues to micro enterprises and small enterprises

(a) Outstanding to suppliers other than micro enterprises and small enterprises Rs. 160.16 crores (previous year Rs.153.16 crores)

(b) Outstanding to micro enterprises and small enterprises Rs. 15.87 crores (previous year Rs. 5.52 crores) including interest.

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
(a)	Principal amount due to micro and small enterprise	15.77	5.47
(b)	Interest due on above	0.10	0.05
		15.87	**5.52**
	Amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006 along with the amounts paid to suppliers beyond the appointed day during each accounting year.		
	(a) Amount of interest due and payable for the period of delay in making payment (beyond the appointed day) but without adding the interest specified under the MSMED Act.	-	-
	(b) The amount of interest accrued and remaining unpaid at the end of each accounting year	0.10	0.05

The identification of suppliers as Micro and Small Enterprises covered under the "MSMED Act, 2006" was done on the basis of the information to the extent provided by the suppliers to the Company. This has been relied upon the auditors.

Notes to the Consolidated Financial Statements

Note 22 : Other Current Financial Liabilities

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
(a)	Current Maturities of Long term Debts		
	Deferred Sales Tax Loan	-	0.01
	Finance lease obligation	0.03	0.03
(b)	Unpaid Dividend (refer note below)	3.14	2.86
(c)	Other Payables		
	Deposits from Distributors	0.96	0.75
	Other Liabilities	0.04	0.04
		4.17	**3.69**

Note:

The Company is in process of ascertaining the quantum of shares to be transferred to Investor Education and Protection Fund (IEPF), in terms of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended.

Note 23 : Other Current Liabilities

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
(a)	Statutory Dues payable		
	(i) Goods & Services Tax Payables	1.16	10.48
	(ii) TDS Payables	1.24	0.51
	(iii) Employee related dues payable	1.26	1.28
(b)	Advance from customers	28.42	22.39
(c)	Other payables	0.03	0.04
		32.11	**34.70**

Note 24 : Revenue From Operations

(Rs. In Crore)

		Year Ended 31st March, 2021	Year Ended 31st March, 2020
(a)	Sale of Products	2,722.15	2,840.68
(b)	Other operating revenue-Sale of scrap	45.96	36.62
		2,768.11	**2,877.30**

(Rs. In Crore)

		Year Ended 31st March, 2021	Year Ended 31st March, 2020
(i)	**Sale of Products includes:**		
	Sale of Manufactured products	2,620.15	2,769.00
	Sale of Traded Goods	102.00	71.68
	Total	**2,722.15**	**2,840.68**

Notes to the Consolidated Financial Statements

(ii) Disaggregation of the revenue information

The table below presents disaggregated revenue by geography and offerings for each of products.

Revenue from sale of products

(Rs. In Crore)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
A. Electrical cables	2,267.81	2,324.49
B. Communication cables	319.74	408.94
C. Copper rods	22.18	19.10
D. Others	112.42	88.15
	2,722.15	**2,840.68**
Sale of Scrap		
A. Electrical cables	42.17	36.62
B. Communication cables	1.73	-
C. Copper rods	0.86	-
D. Others	1.20	-
	45.96	**36.62**
	2,768.11	**2,877.30**

Revenue by Geography

(Rs. In Crore)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
India	2,737.24	2,851.57
Outside India	30.87	25.73
	2,768.11	**2,877.30**

Timing of revenue recognition

(Rs. In Crore)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Goods transferred at a point of time	2,768.11	2,877.30
Goods transferred over a period of time	-	-
	2,768.11	**2,877.30**

(iii) Information about major customers

There are no major customers having revenue transactions exceeding 10% of the total revenue.

Notes to the Consolidated Financial Statements

Note 25 : Other Income

(Rs. In Crore)

		Year Ended 31st March, 2021	Year Ended 31st March, 2020
(a)	Interest income on financial assets carried at amortised cost	51.61	9.04
(b)	Dividend Income		
	(i) Dividend from Others- Equity Investments Designated at FVTOCI	0.24	0.57
(c)	Others		
	(i) Net gain/(loss) on investments classified at FVTPL	21.38	73.68
	(ii) Exchange gain/(losses) on translation of Assets and Liabilities	0.68	0.52
	(iii) Other Income	3.08	7.69
		76.99	**91.50**

Note 26 : Cost of material consumed

(Rs. In Crore)

	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Inventory at the beginning of the year	116.58	115.19
Add: Purchases	2,140.63	2,027.54
Less: Inventory at the end of the year	127.30	116.58
	2,129.91	**2,026.15**

Note 27 : Changes in inventories of finished goods, stock-in-trade and work-in-progress

(Rs. In Crore)

	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Inventories at the end of the year (A)		
Work-in-progress	166.24	131.02
Finished goods	416.95	297.34
Stock-in-Trade	19.30	19.42
	602.49	**447.78**
Inventories at the beginning of the year (B)		
Work-in-progress	131.02	159.84
Finished goods	297.34	274.31
Stock-in-Trade	19.42	13.66
	447.78	**447.81**
(Increase)/Decrease in Inventories (B)-(A)	**(154.71)**	**0.03**

Notes to the Consolidated Financial Statements

Note 28 : Employee benefits expense

(Rs. In Crore)

		Year Ended 31st March, 2021	Year Ended 31st March, 2020
(a)	Salaries, wages and bonus (refer note 28.1 below)	122.50	131.77
(b)	Contribution to provident and other funds	5.49	5.91
(c)	Gratuity expense	2.49	1.98
(d)	Leave Encashment	4.14	4.23
(e)	Staff welfare and other expenses	3.25	5.64
		137.87	**149.53**

Note 28.1

Salaries, wages and bonus includes Rs. 8.63 crores (previous year Rs. 10.23 crores) paid/ payable to the executive director, during the year, subject to the below.

The resolutions for the reappointment and remuneration of the executive directors were placed before the Annual General Meeting of the Company held on 25th September, 2018. The Hon'ble High Court of Bombay had in respect of an appeal filed in respect of reappointment and remuneration of the executive directors, stated that the results of the voting shall be subject to the Order to be passed by the Hon'ble High Court of Bombay in this Appeal. The matter remains pending. Total remuneration paid/payable to the executive directors for the period 1st July, 2018 (being the date of proposed reappointment) upto 31st March, 2021 is Rs. 28.98 crores (previous year Rs. 20.35 crores).

Note 29 : Finance Costs

(Rs. In Crore)

	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Interest on debts and borrowings	-	0.02
Interest others	0.76	1.53
	0.76	**1.55**

Note 30 : Depreciation and Amortization expense

(Rs. In Crore)

	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Depreciation on Tangible assets (note 3)	37.16	38.21
Amortization of Intangible assets (note 4)	0.28	0.29
Amortization of Right of use (note 4A)	1.52	0.41
	38.96	**38.91**

Notes to the Consolidated Financial Statements

Note 31 : Other Expenses

(Rs. In Crore)

		Year Ended 31st March, 2021	Year Ended 31st March, 2020
(a)	Consumption of stores and spares	20.44	29.06
(b)	Power and fuel	43.52	46.40
(c)	Freight and forwarding charges	46.88	44.87
(d)	Rent	3.61	2.89
(e)	Rates and taxes	8.21	0.67
(f)	Insurance	4.98	1.88
(g)	Repairs and maintenance -		
	(i) Plant and machinery	1.96	1.73
	(ii) Buildings	0.44	1.37
	(iii) Others	3.71	3.95
(h)	CSR expenditure (Refer note 2 below)	9.77	12.27
(i)	Advertising and sales promotion	13.77	26.61
(j)	Travelling and conveyance	6.85	10.08
(k)	Communication costs	0.71	0.82
(l)	Legal and professional fees	7.53	9.90
(m)	Non Executive Directors' sitting fees & Commission	0.82	0.87
(n)	Payment to auditor (Refer note 1 below)	0.80	0.86
(o)	Allowances for doubtful debts	0.49	5.82
(p)	Allowances for doubtful advances	1.16	-
(q)	Miscellaneous expenses	21.24	19.29
(r)	Impairment of Financial Assets	11.70	21.58
(s)	Net Loss on disposal of property, plant and equipment	0.03	0.08
(t)	Electoral Bonds	-	20.00
		208.62	**261.00**

Notes :

1. **Payment to Auditors** (Exclusive of service tax & GST)

(Rs. In Crore)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Audit Fees	0.28	0.28
For other service (certifications, etc)	0.06	0.06
Fees for limited review	0.41	0.41
For reimbursement of expenses	-	0.06
For taxation matters	0.05	0.05
Total	**0.80**	**0.86**

Notes to the Consolidated Financial Statements

2. Details of CSR expenditure

(Rs. In Crore)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Amount required to be spent as per section 135 of the Act	8.68	8.17
Amount spent during the year	9.77	8.17
Amount spent during the year in respect of earlier years	-	4.10
Total Spent	**9.77**	**12.27**
Amount spent during the year on:		
(a) Construction/Acquisition of asset	-	-
(b) On purposes other than (a) above	9.77	12.27

Note 32 : Contingent Liabilities and Commitments

(a) Contingent Liabilities

Claims against the company not acknowledged as debts

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
I	**Disputed Matters**		
(i)	**The Company**		
(a)	Excise (dispute mainly on account of issues of applicablility, classification, etc. to certain goods)	37.04	43.68
(b)	GST	0.20	0.20
(c)	Customs	0.94	1.34
(d)	Sales Tax (dispute mainly on account of non submission of C, F and other forms and rates of tax)	135.67	133.60
(e)	Entry Tax (dispute on account of applicability, etc.)	4.85	12.39
(f)	Income Tax (Including Wealth Tax)		
	wherein the Company is in Appeal	15.28	20.98
	wherein the Department is in Appeal	10.56	10.56
	(disputes relating to allowability of certain expenses, deductability, etc.)		
(ii)	**Share of Associate**		
(a)	Excise / Customs / Service Tax	29.61	25.27
(b)	Sales Tax	1.49	1.06
(c)	Income Tax (Including Wealth Tax)		
	wherein the Company is in Appeal	1.52	1.29
	wherein the Department is in Appeal	0.03	0.03
(d)	Others	0.09	0.09

Notes to the Consolidated Financial Statements

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
(iii)	**Share of Joint Ventures**		
	(a) Liquidated Damages	1.62	1.62
	(b) Others	0.35	0.35
II	**Other claims against the Company not acknowledged as debts**	0.28	0.28
III	**Export Promotion Capital Goods (EPCG)**		
	Share of Joint Ventures	1.94	1.94
	Total	**241.47**	**254.68**

Note:

Future cash flows in respect of above matters are determinable only on receipt of judgments/decisions pending at various forums/authorities.

(b) Commitments

(Rs. In Crore)

		As at 31st March, 2021	As at 31st March, 2020
i	**Capital Commitments (Tangible Assets):**		
	(a) Estimated amount of contracts remaining to be executed on capital account net of advance and not provided for.	73.15	28.46
	(b) Share of Joint Ventures	5.15	-
	(c) Share of Associate	7.71	9.20

ii Other Commitment

IIn respect of Finolex J Power Systems Private Limited (Joint Venture) whose net worth has been substantially eroded, the Company along with its joint venture partner has committed to provide financial support to the joint venture as and when required.

Note 33 : Employee Benefit Plan

1. Defined Contribution plan

T The Company makes Provident Fund and Superannuation Fund contributions to defined contribution retirement benefit plans for eligible employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions as specified under the law/scheme are paid to the Government administered Provident fund and in case of Superannuation to the Scheme set up as trust by the Company-Insurer. The Company is liable only for annual contributions.

The Company has recognised Rs. 5.49 crores (31st March, 2020 - Rs. 5.91 crores) for provident fund contributions.

Contribution for superannuation funds Rs. Nil (31st March, 2020 - Rs. Nil) in the Statement of Profit and Loss because the earlier surplus contribution are available for utilisation.

The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Notes to the Consolidated Financial Statements

2. Defined Benefit plan

Gratuity-Funded

The Company has a defined benefit gratuity plan. The gratuity plan is primarily governed by the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The level of benefits provided depends on the member's length of service and salary at the retirement date. The gratuity plan is funded plan. The fund has form a trust and is governed by Trustees appointed by the Company. The Trustees are responsible for administration of the plan assets and investment strategy in accordance with the regulations. The funds are deployed in recognised insurer managed funds in India.

The following table sets out the status of Gratuity Plans as required under Ind AS 19.

(Rs. In Crore)

Statement showing changes in Present Value of obligations	As at 31st March, 2021	As at 31st March, 2020
Present value of obligations at the beginning of the year	26.07	21.80
Interest Cost	1.78	1.63
Current service cost	2.02	1.62
Benefits paid from the Fund	(1.23)	(2.49)
Actuarial (gain)/loss on obligations	(0.48)	3.51
Present Value of obligations as at end of the year	**28.16**	**26.07**
Table showing changes in the fair value of plan assets		
Fair value of plan assets at the beginning of the year	19.16	17.04
Expected return on plan assets	1.31	1.27
Contributions	3.85	3.43
Benefits paid	(1.23)	(2.49)
Return on Plan Assets, Excluding Interest Income	0.18	(0.09)
Fair value of plan asset at end of the year	**23.27**	**19.16**
Funded status	83%	74%
Actuarial (gain)/loss on obligations :-		
Due to change in Demographic Assumptions	-	-
Due to change in Financial Assumptions	0.87	1.33
Due to change in Experience	(1.35)	2.18
Actuarial (gain)/Loss recognised in the year	**(0.48)**	**3.51**
Amounts to be recognised in the Balance Sheet		
Present Value of obligations as at the end of the year	(28.16)	(26.07)
Fair value of plan assets as at the end of the year	23.27	19.16
Funded Status	(4.89)	(6.91)
Net Asset/(Liability) recognised in balance sheet	**(4.89)**	**(6.91)**
Expenses recognised in statement of Profit & Loss Account		
Current Service Cost	2.02	1.62
Interest Cost	0.47	0.36
Expected return on plan assets	-	-
Net Actuarial(gain)/Loss recognised in the year	-	-
Expenses recognised in statement of Profit & Loss	**2.49**	**1.98**
Expenses Recognised in Other Comprehensive Income		
Acturial (Gains)/Losses on obligation for the year [includes share of associate and joint ventures Rs. (0.15) crores (previous year Rs.0.85 crores)]	(0.63)	4.36
Return on Plan Assets, Excluding Interest Income	(0.18)	0.09
Expenses recognised in Other Comprehensive Income	**(0.81)**	**4.45**
Table showing administration of Plan Assets		
Administered by Life Insurance Corporation	23.27	19.16
Total	**23.27**	**19.16**

Notes to the Consolidated Financial Statements

Actuarial Assumptions:	31st March, 2021	31st March, 2020
Discount Rate	6.44%	6.82%
Rate of return on assets	6.44%	6.82%
Salary escalation	8.00%	8.00%
Attrition rate (p.a)		
- For service 2 years & below	25.00%	25.00%
- For service 3 to 4 years	12.50%	12.50%
- For service 5 years & above	5.00%	5.00%
Mortality	Indian Assured Lives Mortality (2006-08)Ultimate	

Particulars	As on 31st March				
	2021	2020	2019	2018	2017
Experience adjustments					
On plan liability (gain)/loss	(0.48)	3.51	3.46	0.33	1.85
On plan asset (gain)/loss	(0.18)	0.09	(0.04)	(0.12)	(0.02)

As per actuarial valuation report, Expected employer's contribution in next year is Rs. 3.69 crores (previous year Rs. 3.79 crores).

Effect on DBO on account of change in the assumed rates:

DBO Rates Types	Discount Rate		Salary Escalation Rate		Withdrawal Rate	
Year	1%	1%	1%	1%	1%	1%
	Increase	Decrease	Increase	Decrease	Increase	Decrease
31st March, 2021	(2.19)	2.55	2.48	(2.18)	(0.28)	0.32
31st March, 2020	(1.99)	2.31	2.26	(1.99)	(0.20)	0.23

The sensitivity results above determine their individual impact on Plan's end of year Defined Benefit Obligation. In reality, the plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time.

The expected maturity analysis of undiscounted defined benefit obligation is as follows:

(Rs. In Crore)

Actuarial Assumptions:	31st March, 2021	31st March, 2020
Within 1 Year	2.97	2.74
Between 1-2 years	1.61	1.56
Between 2-3 years	2.19	1.65
Between 3-4 years	1.93	2.23
Between 4-5 years	1.98	1.95
Sum of 6-10 years	11.70	10.96
Sum of 11 years and above	32.81	31.88

Notes to the Consolidated Financial Statements

Risk exposure:
Through the defined benefit plan, the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset Volatility:

The plan liabilties are calculated using a discount rate set with reference to government bond yield. If plan assets underperform this yield, it will result in deficit. These are subject to interest rate risk. To offset the risk plan assets have been deployed in high grade insurer managed funds.

Inflation rate risk:

Higher than expected increase in salary will increase the defined benefit obligation.

Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligations is not straightforward and depends upon the combination of salary increase, discount rate and vesting criterion.

Note 34 : Financial Instruments

1. Fair value measurements

1.1 The carrying value and fair value of financial instruments by categories as at 31st March, 2021 is as follows:

(Rs. In Crore)

Particulars	Fair value through P&L	Fair value through OCI	Amortised cost	Total carrying value	Total fair value
Assets:					
Cash and cash equivalents	-	-	24.60	24.60	24.60
Other balances with banks	-	-	29.12	29.12	29.12
Trade receivables	-	-	176.55	176.55	176.55
Investments#					
Equity and Others	-	102.51	-	102.51	102.51
Mutual Funds (includes FMP)	623.35	-	-	623.35	623.35
Loans	-	-	4.38	4.38	4.38
Other financial assets	-	-	778.21	778.21	778.21
Total	**623.35**	**102.51**	**1,012.86**	**1,738.72**	**1,738.72**
Liabilities:					
Trade payables	-	-	176.03	176.03	176.03
Borrowings	-	-	0.31	0.31	0.31
Lease liabilities	-	-	6.36	6.36	6.36
Other financial liabilities	-	-	4.17	4.17	4.17
Total	**-**	**-**	**186.87**	**186.87**	**186.87**

Other than investments in associate and Joint Ventures accounted for using the equity method.

Notes to the Consolidated Financial Statements

The carrying value and fair value of financial instruments by categories as of 31st March, 2020 is as follows:

(Rs In Crore)

Particulars	Fair value through P&L	Fair value through OCI	Amortised cost	Total carrying value	Total fair value
Assets:					
Cash and cash equivalents	-	-	856.02	856.02	856.02
Other balances with banks	-	-	77.86	77.86	77.86
Trade receivables	-	-	187.02	187.02	187.02
Investments#					
Equity and Others	-	68.42	-	68.42	68.42
Mutual Funds (includes FMP)	443.60	-	-	443.60	443.60
Loans	-	-	3.87	3.87	3.87
Other financial assets	-	-	55.90	55.90	55.90
Total	**443.60**	**68.42**	**1,180.67**	**1,692.69**	**1,692.69**
Liabilities:					
Trade payables	-	-	158.68	158.68	158.68
Borrowings	-	-	0.34	0.34	0.34
Lease liabilities	-	-	7.56	7.56	7.56
Other financial liabilities	-	-	3.69	3.69	3.69
Total	**-**	**-**	**170.27**	**170.27**	**170.27**

#Other than investments in associate and Joint Ventures accounted for using the equity method.

1.2 Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. This includes quoted equity instruments, government securities and mutual funds (includes FMP) that have quoted price.

Level 2 Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) such as derivative financial instruments. The Company does not have any Level 2 instruments as at 31st March, 2021 and 31st March, 2020.

Level 3 Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This includes unquoted equity shares.

(Rs. In Crore)

	Fair value hierarchy as at 31st March, 2021			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Mutual Funds (includes FMP)	623.35	-	-	623.35
Equity Shares				
Quoted	51.42	-	-	51.42
Unquoted	-	-	51.09	51.09
Total	**674.77**	**-**	**51.09**	**725.86**

Notes to the Consolidated Financial Statements

(Rs. In Crore)

	Fair value hierarchy as at 31st March, 2020			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets:				
Mutual Funds (includes FMP)	443.60	-	-	443.60
Equity Shares				
Quoted	21.98	-	-	21.98
Unquoted	-	-	46.44	46.44
Total	**465.58**	**-**	**46.44**	**512.02**

Valuation technique(s) and key input(s):

Level 1 The fair value of mutual funds (includes FMP) and quoted equity shares is based on net assets value (NAV) and quoted price.

Level 2 The Company does not have any Level 2 instrument as at 31st March, 2021 and 31st March, 2020.

Level 3 The fair value of unquoted equity shares is determined using market approach. This approach involves the application of multiples, derived from market prices of comparable listed companies, to the parameters of the subject company in order to derive a value for the subject company.

1.3. Reconciliation of level 3 fair value measurements

(Rs. In Crore)

For the year ended 31st March, 2021	Unlisted shares irrevocably designated as at FVTOCI
Opening balance	46.44
Total gain in other comprehensive income	4.65
Held for sale/Disposals/Settlements	-
Closing balance	**51.09**

(Rs. In Crore)

For the year ended 31st March, 2020	**Unlisted shares irrevocably designated as at FVTOCI**
Opening balance	25.52
Total gain in other comprehensive income	20.92
Held for sale/Disposals/Settlements	-
Closing balance	**46.44**

All gains and losses included in other comprehensive income relate to unlisted shares held at the end of the reporting period and are reported under "Equity Instruments through Other Comprehensive Income".

Notes to the Consolidated Financial Statements

The significant unobservable input used in the fair value measurement categorized within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31st March, 2021 and 31st March, 2020 are as shown below:

Description of significant unobservable inputs to valuation:

Particulars	Valuation techniques	Significant unobservable inputs	Sensitivity of the input to fair value
Investments in unquoted equity shares	Comparable Companies Multiples ("CCM") method under the Market Approach.	Adopted multiple, based on benchmark companies	Increase/(decrease) in discount to determine the multiple will impact the fair value of instrument. Higher the discount lower the fair value and vice-versa. **Finolex Plasson Industries Private Limited:** Multiple: CY 4.58 (PY 4.25) **SICOM India Limited:** Multiple: CY 1.10 (PY 0.90)

2. Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The capital structure is as follows:

(Rs. In Crore)

	As at 31st March, 2021	As at 31st March, 2020
Total Equity	3,414.51	3,003.71
Total Borrowings	0.34	0.38
Total capital (borrowings and equity)	**3,414.85**	**3,004.09**
Equity as a percentage of total capital	99.99%	99.99%
Borrowing as a percentage of total capital	0.01%	0.01%

(i) Debt is defined as long-term borrowings (including current maturities) and short-term borrowings (excluding contingent considerations, if any).

(ii) Equity is defined as Equity share capital and other equity including reserves and surplus.

The Company is predominantly equity financed which is evident from the capital structure table. Further, the Company has always been a cash surplus Company with cash and bank balances along with investment. The Company's investment is predominantly in liquid and short term mutual funds being far in excess of debt.

3. Financial risk management

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity, which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

Notes to the Consolidated Financial Statements

3.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

3.1.1 Foreign currency risk management

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar and Euro against the respective functional currency of the company. The Company enters into derivative financial instruments such as foreign exchange forward contract to mitigate the risk of changes in exchange rates on foreign currency exposures.

i The carrying amounts of the Company's foreign currency denominated monetary liabilities/ assets at the end of the reporting period are as follows:

	31st March, 2021		31st March, 2020	
	Foreign Currency (In Crore)	(Rs. In Crore)	Foreign Currency (In Crore)	(Rs. In Crore)
(a) Foreign Currency Liabilities				
In USD	0.22	16.36	0.05	3.52
In EURO	*	0.04	*	*
(b) Foreign Currency Asset				
In USD	0.04 #	2.93	0.06#	4.60

#Balance with Banks in foreign currency and trade receivables

ii Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward and option contracts to mitigate the risk of changes in exchange rate on foreign currency exposure. The counterparty for these contracts is generally a Bank or a Financial Institution. These derivative financial instrument are valued based on quoted prices for similar asset and liabilities in active markets or inputs that is directly or indirectly observable in the market place. The company does not have any outstanding foreign exchange forward and option contracts as at 31st March, 2021 and 31st March, 2020.

iii Foreign currency sensitivity analysis

For the year ended 31st March 2021 and 31st March 2020, the impact of every rupee 1 depreciation / appreciation in the exchange rate between the Indian Rupee and U.S. Dollar on Profit before tax of the Company, given in below table.

(Rs. In Crore)

	As of 31st March, 2021		As of 31st March, 2020	
	Rupee depreciate by INR 1 against USD (Rs. In Crore)	Rupee appreciate by INR 1 against USD (Rs. In Crore)	Rupee depreciate by INR 1 against USD (Rs. In Crore)	Rupee appreciate by INR 1 against USD (Rs. In Crore)
On Foreign Currency Liabilities (net) (Refer Note 2 below)	0.18	(0.18)	*	*

* Denotes amount less than Rs. 50,000

Notes to the Consolidated Financial Statements

Notes:

1) +/- Gain/(Loss)
2) The impact of depreciation/ appreciation on foreign currency other than U.S.Dollar on profit before tax of the Company is not material.

3.1.2 Interest rate risk management

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Considering borrowing amount outstanding as at 31st March 2021 and as at 31st March 2020, Company is not exposed to significant interest rate risk.

3.2 Credit risk management

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, loans, cash and cash equivalents, other balances with banks and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units (including FMP).

The Company takes on exposure to credit risk,which is the risk that counterparty will default on its contractual obligations resulting in financial lossto the company.Financial asset that potentially expose the Company to credit risks are listed below :

(Rs. In Crore)

	As at 31st March, 2021	As at 31st March, 2020
Trade Receivables	176.55	187.02
Loan	4.38	3.87
Total	**180.93**	**190.89**

3.3 Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The maturity profile of the financial liabilities are listed below:

Expected contractual maturity for Financial Liabilities

(Rs In Crore)

	Up to 1 year	1 to 3 years	3-5 years	Beyond 5 years	Total	Carrying Amount
As at 31st March, 2021						
Borrowings	0.03	0.08	0.04	0.19	0.34	0.34
Trade Payables	176.03	-	-	-	176.03	176.03
Other Financial Liabilities	4.14	-	-	-	4.14	4.14
Total	**180.20**	**0.08**	**0.04**	**0.19**	**180.51**	**180.51**

Notes to the Consolidated Financial Statements

(Rs In Crore)

	Up to 1 year	1 to 3 years	3-5 years	Beyond 5 years	Total	Carrying Amount
As at 31st March, 2020						
Borrowings	0.04	0.10	0.05	0.23	0.42	0.42
Trade Payables	158.68	-	-	-	158.68	158.68
Other Financial Liabilities	3.65	-	-	-	3.65	3.65
Total	**162.37**	**0.10**	**0.05**	**0.23**	**162.75**	**162.75**

The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments.

3.4 Financing Facilities

The Company has undrawn committed borrowing facilities of Rs. 200.00 crores (previous year Rs. 200.00 crores).

Note 35 : Related Party Disclosures

Names of Related Parties :

Where transactions have taken place during the year and previous year/ balance outstanding.

(a) Associate Company

Finolex Industries Limited

(b) Joint Venture Entities

Finolex J- Power Systems Private Limited
Corning Finolex Optical Fibre Private Limited

(c) Promoter/ Promoter Group Entities

Orbit Electricals Private Limited
Finolex Infrastructure Limited
Finolex Plassson Industries Private Limited
Note : Excludes Finolex Industries Limited considered as an Associate company as above.

(d) Enterprises controlled by Key Managerial Personnel (Mr. P. G. Pawar upto 18th September, 2019)

Sakal Media Private Limited
Sakal India Foundation
Sakal Relief Fund

(e) Employee Benefit Funds

Finolex Cables Limited Employee's Group Gratuity and Life Assurance Scheme
Finolex Cables Limited Group Superannuation Scheme

Notes to the Consolidated Financial Statements

(f) Key Managerial Personnel

Mr. D. K. Chhabria	Executive Chairman and Promotor
Mr. Mahesh Viswanathan	Chief Financial Officer (CFO) (w.e.f - 19th September, 2019) (Earlier - Deputy Managing Director & Chief Financial Officer (CFO) upto - 18th September, 2019)
Mr. R G D'Silva	Company Secretary & President (Legal)
Mr. Yatin Redkar	President Operations (w.e.f 30th September, 2020) (Earlier Executive Director - Operations w.e.f 19th September, 2019 to 29th September, 2020)
Mr. Sunil Upmanyu	Executive Director - Operations (w.e.f. 30th September, 2020)

(g) Relatives of Key Managerial Personnel: (Mr. Deepak. K. Chhabria)

Mr. Kishandas P. Chhabria	Father
Mr. Vijay K. Chhabria	Brother
Mrs. Sunita K. Chhabria	Mother
Mrs. Vini D. Chhabria	Wife
Ms. Radhika D. Chhabria	Daughter

(h) Non Executive/Independent Directors

Mr. Devender Kumar Vasal	Non-Executive Independent Director (w.e.f 19th September, 2019 to 29th September, 2020)
Mr. Jayaram Rajasekara Reddy	Non-Executive Independent Director (w.e.f 19th September, 2019 to 29th September, 2020)
Mr. Joel Raphael Samuel	Non-Executive Director (w.e.f 19th September, 2019 to 14th August, 2020)
Mr. Shishir Lall	Non-Executive Director (w.e.f. 14th August, 2020 to 29th September, 2020) (Earlier Non Executive Independent Director w.e.f 28th September, 2017 to - 14th August, 2020)
Mrs. Kavita Upadhyay	Non-Executive Independent Woman Director (w.e.f 14th February, 2020 to 29th September, 2020)
Mr. Prasad Deshpande	Non-Executive Director (w.e.f 30th September, 2020)
Mr. P R Barpande	Non-Executive Independent Director (w.e.f 30th September, 2020)
Mr. Avinash S Khare	Non-Executive Independent Director (w.e.f 30th September, 2020)
Mrs. Firoza Kapadia	Non-Executive Independent Woman Director (w.e.f 30th September, 2020)
Mr. P.G.Pawar	Non-Executive Independent Director (upto 18th September, 2019)
Mr. Pradeep R. Rathi	Non Executive Independent Director (upto 9th September, 2019)

Notes to the Consolidated Financial Statements

35 A: Transaction with the related Parties :

(Rs. In Crore)

Particular	Financial Year	Associate	Joint venture Entities	Promoter / Promoter Group Entities	Enterprises controlled by Key Managerial Personnel	Employee Benefit Fund	Key Managerial Personnel & Non-Executive/ Independent Director (Refer note 1 below)	Relatives of Key Managerial Personnel
Investment	2020-21	-	24.50	-	-	-	-	-
	2019-20	-	43.37	-	-	-	-	-
Dividend Paid	2020-21	12.20	-	25.83	-	-	0.52	1.49
	2019-20	9.98	-	21.13	-	-	0.42	1.22
Dividend Received (Refer note 2)	2020-21	-	-	0.20	-	-	-	-
	2019-20	-	-	0.25	-	-	-	-
Rent Paid	2020-21	-	-	0.26	-	-	-	-
	2019-20	-	-	0.25	-	-	-	-
Rent Received	2020-21	-	0.22	0.06	-	-	-	-
	2019-20	-	0.22	0.06	-	-	-	-
Advertisement and Sales Promotion	2020-21	-	-	-	-	-	-	-
	2019-20	-	-	-	0.50	-	-	-
Other Services Provided	2020-21	-	0.05	*	-	-	-	-
	2019-20	-	0.05	*	-	-	-	-
Purchase of Raw Material	2020-21	-	4.21	-	-	-	-	-
	2019-20	-	-	-	-	-	-	-
Contribution to Fund	2020-21	-	-	-	-	3.80	-	-
	2019-20	-	-	-	-	3.38	-	-
Benefit paid to employees from Trust	2020-21	-	-	-	-	1.95	-	-
	2019-20	-	-	-	-	4.69	-	-
Financial Support	2020-21	-	Refer note 4 below	-	-	-	-	-
	2019-20	-	Refer note 4 below	-	-	-	-	-
Corporate Social Responsibility	2020-21	-	-	-	-	-	-	-
	2019-20	-	-	-	1.28	-	-	-
Managerial Remuneration (Refer note 5 below)	2020-21	-	-	-	-	-	14.10	0.02
	2019-20	-	-	-	-	-	13.73	-
Amounts owed by related parties (Receivable)	2020-21	-	0.05	0.25	-	-	-	-
	2019-20	-	0.12	0.25	-	-	-	-
Amounts owed to related parties (Payable)	2020-21	-	4.97	-	-	4.89	8.69	*
	2019-20	-	-	-	-	6.91	8.57	-

* Denotes amount less than Rs. 50,000

Note:

1. Key managerial Personnel are entitled to post- employement benefits recognised as per IND-AS 19-'Employee Benefits' in the financial statements.

   As these employee benefits are lump sum amounts provided on the basis of acturial valuation, the same is not included above.

Notes to the Consolidated Financial Statements

2. Dividend received from Associate Rs. Nil (previous year Rs. 80.39 crore) has been eliminated in consolidated financial statements.
3. All transactions with related parties have been done at arms length basis.
4. In respect of Finolex J Power Systems Private Limited (Joint Venture) whose net worth has been substantially eroded, the Company along with its joint venture partner has committed to provided financial support to the joint venture as and when required.
5. Details of Compensation of Key Managerial Personnel & Non-Executive/ Independent Director:

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Short-term employee benefits	12.64	12.24
Post-employment benefits	-	-
Other long-term benefits	0.66	0.62
Commission and other benefits to non-executive/independent directors	0.82	0.87
Total	**14.12**	**13.73**

Payments made to the directors and other members of key managerial personnel are approved by the Nomination and Remuneration Committee.

Note 36 : Segment Reporting

Operating segments are reported consistently with the internal reporting provided to the Executive Chairman, the highest decision-making executive who is responsible for allocating resources to and assessing the performance of the operating segments.

A- The business segment has been considered as a primary segment for disclosure. The categories included in each of the reported business segment are as follows.

1. Electrical Cables
2. Communication Cables
3. Copper Rods
4. Others - Trading of Electrical and other goods

The above business segments have been identified considering

1. The nature of the product/services
2. The Related risks and returns
3. The Internal financial reporting systems

Revenues and expenses have been accounted for based on their relationship to the operating activities of the segment. Revenues and expenses which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis have been included under “Unallocable Expenses”. Assets and Liabilities which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis have been included under “Unallocable Assets / Liabilities”.

Notes to the Consolidated Financial Statements

(Rs. In Crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Segment Revenue		
A. Electrical cables	2,309.98	2,361.11
B. Communication cables	321.47	408.94
C. Copper rods	574.21	558.83
D. Others	113.62	88.15
Total segment revenue	**3,319.28**	**3,417.03**
Less : Inter segment revenue	(551.17)	(539.73)
Net segment revenue	**2,768.11**	**2,877.30**
Segment Results		
A. Electrical cables	340.59	377.57
B. Communication cables	8.37	25.93
C. Copper rods	1.10	3.43
D. Others	4.25	(6.84)
Total segment results	**354.31**	**400.09**
(Less) : Finance costs	(0.76)	(1.55)
Add /(Less) : unallocable income/(Loss) net of unallocable expenditure	53.90	35.92
Add /(Less) : Share of Profit of Associate & Joint Ventures accounted for using the equity method	223.42	77.59
Profit before tax	**630.87**	**512.05**
Income Tax	**169.41**	**121.05**
Profit for the year	**461.46**	**391.00**

OTHER INFORMATION

(Rs. In Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Segment Assets		
A. Electrical cables	1,090.90	879.31
B. Communication cables	299.75	319.20
C. Copper rods	27.97	20.03
D. Others	43.55	58.06
Unallocable Assets	2,423.50	2,130.20
Total Assets	**3,885.67**	**3,406.80**
Segment Liabilities		
A. Electrical cables	175.04	169.92
B. Communication cables	25.67	17.61
C. Copper rods	17.41	13.95
D. Others	9.59	11.90
Unallocable Liabilities	243.45	189.71
Total Liabilities	**471.16**	**403.09**

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2021

(Rs. In Crore)

Particulars	Capital Expenditure	Depreciation	Non cash Expenditure other than Depreciation to the extend allocable to the segment
A. Electrical cables	42.09	29.09	1.88
B. Communication cables	2.73	5.71	(0.20)
C. Copper rods	-	0.72	-
D. Others	10.09	3.44	-
Total	**54.91**	**38.96**	**1.68**

For the year ended 31st March, 2020

(Rs In Crore)

Particulars	Capital Expenditure	Depreciation	Non cash Expenditure other than Depreciation to the extend allocable to the segment
A. Electrical cables	21.83	29.29	4.90
B. Communication cables	1.96	7.64	1.00
C. Copper rods	0.00	0.78	-
D. Others	8.54	1.20	-
Total	**32.33**	**38.91**	**5.90**

B. Secondary Segment information

The company's operations are mainly confined within India and as such there are no reportable geographical segments.

Note 37 : Earnings Per Share (EPS)

(Rs. In Crore)

Basic earning per share	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Net Profit for the year attributable to the equity holders	**461.46**	**391.00**
Weighted average number of Equity shares for basic EPS	152,939,345	152,939,345
Par value per share (in Rs.)	2.00	2.00
Basic Earnings per share (in Rs.)	**30.17**	**25.57**
Diluted Earnings per share (in Rs.)	**30.17**	**25.57**

Note: The Company does not have any dilutive potential equity shares in any of the period's , therefore weighted average number of equity shares outstanding at the year end for basic EPS and diluted EPS is same.

Notes to the Consolidated Financial Statements

Note 38 : COVID-19

"The Company's operations have been impacted by the lockdown imposed to contain the spread of COVID-19. The operations gradually resumed in line with the directives of the Government. This was done with requisite precautions ensuring safety of employees. However, despite resumption of operation, there were disruptions due to limited availability of work force, containment zones and curfew restrictions coming up from time to time. The results for the year ended are therefore not comparable with those for the previous years.

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of its assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources of information. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects to recover the carrying amounts of these assets. The Company will continue to closely monitor any material changes to future economic conditions.

Note 39 : Statement of Net Assets and Profit and Loss attributable to Owners

Name of the Entity	Net Asset i.e. (Total asset minus total Liabilities)		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated Net Asset	Rs. Amt (In Crore)	As % of consolidated profit	Rs. Amt (In Crore)	As % of consolidated Other comprehensive income	Rs. Amt (In Crore)	As % of consolidated Total comprehensive income	Rs. Amt (In Crore)
Finolex Cables Limited	72.5%	2,950.71	55.9%	282.89	95.9%	33.31	58.4%	316.20
Associates								
Finolex Industries Limited. *	25.0%	1,016.71	47.2%	238.97	3.9%	1.34	44.4%	240.31
Joint Ventures								
Finolex J Power Systems Private Limited	2.2%	91.02	(3.0%)	(15.36)	0.2%	0.08	(2.8%)	(15.27)
Corning Finolex Optic Fibre Private Limited	0.3%	13.92	(0.0%)	(0.12)	0.0%	-	(0.0%)	(0.12)
Total	**100%**	**4,072.36**	**100%**	**506.38**	**100%**	**34.74**	**100%**	**541.12**
Adjustments arising from consolidation		(657.85)		(44.92)		(1.28)		(46.20)
Consolidated Net Assets/ Profit after tax		**3,414.51**		**461.46**		**33.46**		**494.92**

* includes fair value gain in respect of investments held in the Company by the Associate

Note 40: Significant Events after the reporting period :

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed.

D.K. Chhabria
Executive Chairman

P.R. Barpande
Director

M. Viswanathan
Chief Financial Officer

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

Pune : 29th June, 2021

Notice

NOTICE is hereby given that the Fifty-Third Annual General Meeting of Members of Finolex Cables Limited will be held on Wednesday, September 29, 2021 at 11.30 a.m. through Video Conference ("VC")/Other Audio Visual Means ("OAVM"), to transact the following business:

Ordinary Business

1. To receive, consider and adopt the audited financial statement (including the audited consolidated financial statements) of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors' and Auditors' thereon.

2. To declare a dividend on equity shares for the financial year ended March 31, 2021.

Special Business

3. To consider, and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 149(1), 160(1) and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the provisions of Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (the "Rules") and the provisions of the Articles of Association of the Company, Mr. Padmanabh R Barpande [DIN: 00016214], who was appointed as an Additional Director by the Board of Directors of the Company (the "Board") with effect from September 30, 2020 and who holds office upto the date of this Annual General Meeting and, who is eligible for appointment and in respect of whom the Company has received a notice in writing pursuant to the provisions of Section 160(1) of the Act from a member of the Company proposing his candidature as Director of the Company and who has consented, if appointed, to act as Director, be and is hereby appointed a Director of the Company liable to retire by rotation."

4. To consider, and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 149(1), 160(1) and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the provisions of Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (the "Rules") and the provisions of the Articles of Association of the Company, Mr. Avinash S Khare [DIN: 06759588], who was appointed as an Additional Director by the Board of Directors of the Company (the "Board") with effect from September 30, 2020 and who holds office upto the date of this Annual General Meeting and, who is eligible for appointment and in respect of whom the Company has received a notice in writing pursuant to the provisions of Section 160(1) of the Act from a member of the Company proposing his candidature as Director of the Company and who has consented, if appointed, to act as Director, be and is hereby appointed a Director of the Company liable to retire by rotation."

5. To consider, and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 149(1), 160(1) and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the provisions of Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (the "Rules") and the provisions of the Articles of Association of the Company, Mrs. Firoza F Kapadia [DIN: 08899561], who was appointed as an Additional Director by the Board of Directors of the Company (the "Board") with effect from September 30, 2020 and who holds office upto the date of this Annual General Meeting and, who is eligible for appointment and in respect of whom the Company has received a notice in writing pursuant to the provisions of Section 160(1) of the Act from a member of the Company proposing her candidature as Director of the Company and who has consented, if appointed, to act as Director, be and is hereby appointed a Director of the Company liable to retire by rotation."

6. To consider, and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 149(1), 160(1) and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the provisions of Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (the "Rules") and the provisions of the Articles of Association of the Company, Mr. Prasad M Deshpande [DIN: 00040587], who was appointed as an Additional Director by the Board of Directors of the Company (the "Board") with effect from September 30, 2020 and who holds office upto the date of this Annual General Meeting and, who is eligible for appointment and in respect of whom the

Company has received a notice in writing pursuant to the provisions of Section 160(1) of the Act from a member of the Company proposing his candidature as Director of the Company and who has consented, if appointed, to act as Director, be and is hereby appointed a Director of the Company liable to retire by rotation."

7. To consider, and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 149(1), 160(1) and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the provisions of Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (the "Rules") and the provisions of the Articles of Association of the Company, Mr. Sunil Upmanyu [DIN: 06447016], who was appointed on the existing terms and remuneration as an Additional Director designated as Executive Director – Operations by the Board of Directors of the Company (the "Board") with effect from September 30, 2020 and who holds office upto the date of this Annual General Meeting and, who is eligible for appointment and in respect of whom the Company has received a notice in writing pursuant to the provisions of Section 160(1) of the Act from a member of the Company proposing his candidature as Director of the Company and who has consented, if appointed, to act as Director, be and is hereby appointed a Director of the Company liable to retire by rotation."

8. To consider, and, if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 149(1), 152, 160(1) read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) and the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and subject to the provisions of the Articles of Association of the Company, and pursuant to the recommendation by the Nomination and Remuneration Committee and the approval of the Board of Directors of the Company (the "Board") in this regard, Mr. Padmanabh R Barpande [DIN: 00016214], who was appointed, subject to approval of the Members at the next Annual General Meeting, as an Independent Director for a term of five consecutive years with effect from September 30, 2020 and who is eligible for appointment as an Independent Director be and is hereby appointed as an Independent Director of the Company subject to the provisions contained in the Articles of Association ("AoA") of the Company, to hold office for a term of 5 (five) consecutive years with effect from September 30, 2020.

   RESOLVED FURTHER THAT all the actions taken by the Board with regard to appointment of Mr. Padmanabh R Barpande as an Independent Director for a term of five consecutive years with effect from September 30, 2020 be and is hereby confirmed and the Board be and is hereby authorised to do or to authorise any person to do all such acts, deeds, matters and things as may be considered necessary, relevant, usual, customary, proper and/or expedient for giving effect to this resolution and for matters connected therewith or incidental thereto."

9. 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(1), 152, 160(1) read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) and the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and subject to the provisions of the Articles of Association of the Company, and pursuant to the recommendation by the Nomination and Remuneration Committee and the approval of the Board of Directors of the Company (the "Board") in this regard, Mr. Avinash S Khare [DIN: 06759588], who was appointed, subject to approval of the Members at the next Annual General Meeting, as an Independent Director for a term of five consecutive years with effect from September 30, 2020 and who is eligible for appointment as an Independent Director be and is hereby appointed as an Independent Director of the Company subject to the provisions contained in the Articles of Association ("AoA") of the Company, to hold office for a term of 5 (five) consecutive years with effect from September 30, 2020.

   RESOLVED FURTHER THAT all the actions taken by the Board with regard to appointment of Mr. Avinash S Khare as an Independent Director for a term of five consecutive years with effect from September 30, 2020 be and is hereby confirmed and the Board be and is hereby authorised to do or to authorise any person to do all such acts, deeds, matters and things as may be

considered necessary, relevant, usual, customary, proper and/or expedient for giving effect to this resolution and for matters connected therewith or incidental thereto."

10. 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 Sections 149(1), 152, 160(1) and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the provisions of Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (the "Rules") and subject to the provisions of the Articles of Association of the Company, and pursuant to the recommendation of the Nomination and Remuneration Committee and the approval of the Board of Directors of the Company (the "Board") in this regard, Mrs. Firoza F Kapadia [DIN: 08899561], who was appointed as an Additional Director and an Independent Woman Director by the Board with effect from September 30, 2020 and who being an additional Director holds office upto the date of this Annual General Meeting and, who is eligible for appointment and has consented, if appointed, to act as Director, be and is hereby appointed as an Independent Director of the Company subject to the provisions contained in the Articles of Association ("AoA") of the Company, to hold office for a term of five consecutive years with effect from September 30, 2020.

RESOLVED FURTHER THAT all the actions taken by the Board with regard to appointment of Mrs. Firoza F Kapadia as an Independent Woman Director of the Company with effect from September 30, 2020 be and are hereby confirmed and the Board is hereby authorised to do or to authorise any person to do all such acts, deeds, matters and things as may be considered necessary, relevant, usual, customary, proper and/or expedient for giving effect to this resolution and for matters connected therewith or incidental thereto."

11. To ratify the remuneration payable to the Cost Auditors for the financial year ending March 31, 2022 (Financial Year 2021-22) and to consider, and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act"), the provisions of the Companies (Audit and Auditors) Rules, 2014, as amended, and subject to the provisions of the Articles of Association of the Company, and pursuant to the recommendation of the Audit Committee and the approval of the Board of Directors of the Company (the "Board") and subject to the applicable guidelines and approval of the Central Government as may be applicable in this regard, the Members of the Company hereby ratify the appointment of M/s Joshi Apte & Associates, Cost Accountants, Pune (Firm Registration No. 00240) at a consolidated remuneration of Rs.5.50 Lakhs (Rupees Five Lakhs Fifty Thousand Only) plus taxes and out of pocket expenses, if any, chargeable extra on actual basis, to conduct cost audit of the cost records of the Company for the financial year ending March 31, 2022 (Financial Year 2021-22).

RESOLVED FURTHER THAT the Board be and is hereby authorised to do or to authorise any person to do all such acts, deeds, matters and things as may be considered necessary, relevant, usual, customary, proper and/or expedient for giving effect to this resolution and for matters connected therewith or incidental thereto."

12. To consider, and, if thought fit, to pass, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the provisions of Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 including any modification(s) or reenactment(s) thereto for the time being in force and subject to the provisions of SEBI (Issue and Listing of Debt Securities) Regulations 2008 and of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended, and the Rules, Regulations, Guidelines, circulars and clarifications, as issued and amended from time to time by SEBI and/or other appropriate Authority(ies) and subject to the provisions of the Articles of Association of the Company, approval of the Members of the Company (the "Members") be and is hereby accorded to the Board of Directors of the Company (the "Board") to constitute and offer or invite subscriptions for secured/unsecured redeemable nonconvertible debentures ("NCDs") on a private placement basis, in one or more series/tranches, aggregating up to an amount of Rs.150 Crores (Rupees One Hundred Fifty Crores only), during a period of one year from the date of passing of this resolution and within the overall borrowing limits of the Company, as approved by the Members from time to time, from such persons and on such terms and conditions as the Board may, from time to time, determine and consider proper and beneficial to the Company including as to when the said Debentures are to be issued, the consideration for

the issue, the coupon rate(s) applicable, redemption period, utilization of the issue proceeds and all matters connected with or incidental thereto.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and give such directions and to execute or authorise any person to execute all such documents, instruments and writings as may be considered necessary, relevant, usual, customary, proper and/or expedient to give effect to this resolution."

13. To approve related party transaction(s) with Corning Finolex Optical Fibre Private Limited and to consider, and, if thought fit, to pass, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and the provisions of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and subject to the provisions of the Articles of Association of the Company, and subject to such other approvals, consents, sanctions and permissions of any authorities as may be necessary, consent of the Company be and is hereby accorded to the Audit Committee and the Board of Directors of the Company (hereinafter referred to as the "Board"), to authorise the Management of the Company to carry out transaction(s) in the Company's ordinary course of business for the purchase of optical fiber from Corning Finolex Optical Fibre Private Limited from time to time at a price to be agreed between the Company and Corning Finolex Optical Fibre Private Limited and on the existing terms and conditions set out in the Agreement dated June 16, 2011 entered into between the Company and Corning Finolex Optical Fibre Private Limited and mentioned in the explanatory statement annexed hereto.

RESOLVED FURTHER THAT the Board, Audit Committee and the Management of the Company be and is hereby authorised as may be appropriate or relevant to implement and to give effect to this resolution, to take all steps whatsoever and to do all such acts, deeds, matters and things as each of them may consider necessary, relevant, usual, customary, proper and/or expedient for giving effect to this resolution including finalizing the ancillary and incidental terms in relation to each transaction and to sign deeds, applications, documents and writings in relation thereto."

By Order of the Board of Directors

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

Place: Pune
Dated: August 12, 2021

Registered Office:
26/27, Mumbai-Pune Road,
Pimpri, Pune - 411018.
CIN: L31300MH1967PLC016531
Email: Investors@finolex.com

Notes:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the "Act") setting out material facts concerning the special business under item nos. 3 to 13 of the Notice is Annexed hereto and forms a part of this Notice.

2. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/ OAVM. In accordance with Secretarial Standard -2 (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") read with guidance/ clarification note dated April 15, 2020 issued by ICSI the deemed venue for the AGM shall be the Registered Office of the Company.

3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. Accordingly, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of

participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020 the Notice calling AGM and Annual Report 2020-21 is being sent only through electronic mode to those members whose email addresses are registered with the Company's Registrar and Transfer Agents i.e. KFin Technologies Private Limited/ the Depositories. The Notice calling the AGM and Annual Report 2020-21 has been uploaded on the website of the Company at www.finolex.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

8. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

9. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, September 18, 2021 to Wednesday, September 29, 2021 (both days inclusive) for the purpose of AGM and payment of Dividend to be declared.

10. The Board of Directors has recommended Dividend on equity shares at 275% i.e. Rs. 5.50 per equity share of Rs. 2/- each fully paid up for the year ended March 31, 2021 that is proposed to be paid by October 28, 2021, subject to the approval of shareholders.

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

11. Further in order to receive dividend in a timely manner, Members who have not updated their mandate for receiving dividends directly in their bank accounts through Electronic Clearing Service or any other means are requested to register their Electronic Bank Mandate to receive dividends by following the process as set out below:

    (A) Members holding shares in Physical mode may intimate and get updated the Bank details with the KFin Technologies Private Limited, Karvy Selenium, Tower B, 6th Floor, Plot Nos. 31 & 32, Financial District, Nanakramguda, Hyderabad – 500032, Tel Nos. (40) 6716 1613 / 6716 1630 ("RTA") along with following details/documents:-

    (a) A signed request letter stating the Member's name (as recorded on the share certificate), folio number, complete address, along with:-

    (b) Name and Branch of Bank and Bank Account Type

    (c) Bank account Number allotted by your Bank after implementing Core Banking Solutions

    (d) 11 digit IFSC Code

    (e) 9 digit MICR Code Number

    (f) Self-attested copy of cancelled cheque bearing the name of the Member or First Holder

    (g) Self-attested copy of PAN and AADHAR Card

Note: For queries related to updation of email ID and bank account details members may contact at einward.ris@kfintech.com/investors@finolex.com.

(B) Members holding shares in Demat form are requested to update their Electronic Bank Mandate through their Depository Participants.

12. In case the Company is unable to pay dividend to any Member(s) directly in their bank account through Electronic Clearing Services or any other means due to non-registration of Electronic Bank Mandate, the Company shall dispatch the dividend warrants/demand drafts to such Member(s) at the earliest once the normalcy is restored.

13. Pursuant to the provisions of the Finance Act 2020, dividend income will be taxable at the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to Members at prescribed rates. For the prescribed rates for various categories the Members are requested to refer to the Finance Act, 2020 and amendments thereto.

    The Members are requested to update their PAN with Registrar and Transfer Agents (in case of shares held in physical mode) and their Depository Participants (in case shares are held in demat mode). However, no tax shall be deducted on the dividend payable to a resident individual shareholder if the total dividend to be received during FY 2021-22 does not exceed Rs.5000/-.

    A resident individual shareholder with PAN who is not liable to pay income tax is requested to submit a yearly declaration in Form 15G/15H, to avail the benefit of non-deduction of tax to the Company's RTA i.e. KFin Technologies Private Limited, Karvy Selenium, Tower B, 6th Floor, Plot Nos.31 & 32, Financial District, Nanakramguda, Hyderabad – 500032, Tel Nos. (40) 6716 1613 / 6716 1630 so as to reach latest by August 31, 2021. The Company had informed the shareholders earlier in this regard vide its letter dated July 30, 2021. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%, as applicable.

    Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending to Company's RTA i.e. KFin Technologies Private Limited, Karvy Selenium, Tower B, 6th Floor, Plot Nos.31 & 32, Financial District, Nanakramguda, Hyderabad – 500032, Tel Nos. (40) 6716 1613 / 6716 1630. The said declarations need to be submitted so as to reach latest by August 31, 2021.

    Incomplete and/or unsigned forms and declarations will not be considered by the Company. All communications/queries in this respect should be addressed to the RTA i.e. KFin Technologies Private Limited, Karvy Selenium, Tower B, 6th Floor, Plot Nos.31 & 32, Financial District, Nanakramguda, Hyderabad – 500032, Tel Nos. (40) 6716 1613 / 6716 1630 and Exemption Forms are required to be forwarded in original only.

14. The Company's Registrar and Transfer Agents for its share registry work (Physical and Electronic) are KFin Technologies Private Limited, Karvy Selenium, Tower B, 6th Floor, Plot Nos.31 & 32, Financial District, Nanakramguda, Hyderabad – 500032, Tel Nos. (40) 6716 1613 / 6716 1630.

15. Members can avail the facility of nomination in respect of securities held by them in physical form pursuant to the provision of Section 72 of the Act. Members desiring to avail this facility may send their nomination in the prescribed form duly filled-in to RTA. Members holding shares in electronic mode may contact their respective Depository Participant (DP) for availing this facility.

16. Further the Members are requested to:

    i) intimate to their DP, changes if any, in their names, registered addresses, email address, telephone/mobile numbers, and/or changes in their bank account details, if the shares are held in dematerialized form.

    ii) intimate to the RTA of the Company, changes if any, in their names, registered addresses, email address, telephone/mobile numbers, and/or changes in their bank account details, if the shares are held in physical form.

    iii) consolidate their holdings into one folio in case they hold shares under multiple folios in the identical order of names.

    iv) dematerialize their Physical Shares to Electronic Form (Demat), since in terms of Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, securities of listed companies can be transferred only in dematerialised form

with effect from April 1, 2019, the only exception being in case of requests received for transmission or transposition of securities. Dematerialisation of shares would help to eliminate risks associated with Physical Shares. Members can contact the RTA viz., KFin Technologies Private Limited, Hyderabad (Tel. No. 040 – 67161633/30) for assistance, if any, in this regard.

17. The Securities and Exchange Board of India has made it mandatory for all companies to use the bank account details furnished by the Depositories for payment of dividend through Electronic Clearing Service (ECS) to investors wherever ECS and bank details are available.

    In the absence of ECS facilities, the Company will print the bank account details, if available, on the payment instrument for distribution of dividend. The Company will not entertain any direct request from Members holding shares in electronic mode for deletion of/change in such bank account details and all such requests should be directly addressed well before the Book Closure period (which commences on September 18, 2021), to their respective DPs where their shares are held in dematerialized form.

18. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form who have not done so are requested to submit the PAN to their Depository Participant with whom they are maintaining their demat account/s. Members holding shares in physical form must submit their PAN details to the RTA of the Company.

19. Members are requested to refer the website of the Company for the details made available by the Company pursuant to the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Second Amendment Rules, 2019 for information in connection with the unpaid/unclaimed dividend along with underlying shares thereto liable to be transferred to Investor Education and Protection Fund (IEPF) administered by the Central Government.

    As per Section 124(6) of the Act read with the IEPF Rules as amended from time to time, all the shares in respect of which dividend has remained unpaid/ unclaimed for seven consecutive years or more are required to be transferred to an IEPF Demat Account. In case the dividends are not claimed by the respective shareholders, necessary steps will be initiated by the Company to transfer the relevant shares held by the Members to IEPF along with dividend remaining unpaid/ unclaimed thereon.

    Members may please note that once the unclaimed dividend and relevant shares is/are transferred to the IEPF, no claim shall lie against the Company in respect of the relevant shares and/or the individual dividend amounts which were unclaimed and unpaid for a period of seven years from the date that they first became due for payment and no payment shall be made by the Company in respect of any such claims.

    Members may please note that even in the event of transfer of such shares and the unclaimed dividends to IEPF, they are entitled to claim the same from IEPF authorities by submitting online application in the prescribed Form IEPF-5 available on the website www.iepf.gov.in and sending the original documents mentioned in Form IEPF-5 duly signed to the Company along with Form IEPF- 5 for verification of claim.

    Members who have not yet encashed their dividend warrant(s) pertaining to dividend for the financial year 2013-14 and onwards are requested to lodge their claims in this regard with the RTA immediately. It may be noted that the unclaimed Dividend for the financial year 2013-14 should be claimed by the Members immediately else the same will be transferred to IEPF, as required.

20. Members holding shares in demat mode, who have not registered their email addresses are requested to urgently register their email addresses with their respective depository participants, and Members holding shares in physical mode are requested to update their email addresses with the RTA by emailing to einward.ris@kfintech.com immediately to receive copies of Annual Report in electronic mode.

21. Shareholders may send their questions in advance from their registered email addresses mentioning their name demat account number/folio number, email id, mobile number at investors@finolex.com latest by Saturday, September18, 2021. Questions received by the Company by the said date only will be considered for suitable reply by the Company.

22. **Voting through electronic means:**

    In compliance with provisions of Section 108 of the Companies Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015, Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations,

2015, and relevant MCA Circulars, the Company is pleased to provide members facility to exercise their right to vote during the AGM by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited ("NSDL").

The remote e-voting period begins on Sunday, September 26, 2021 at 9:00 A.M. and ends on Tuesday, September 28, 2021 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, September 22, 2021, may cast their vote electronically. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday September 22, 2021.

A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or voting during the AGM through electronic means. A person who is not a member as on the cut-off date should treat this Notice for information purposes only.

Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of cut-off date, may obtain the login id and password by sending a request to evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

Mr. Mandar Shrikrishna Jog (CP. No. 9798) or failing him Ms. Kanchan Aniruddha Limaye, (CP.No.17326), Practicing Company Secretaries and Partners of M/s Jog Limaye & Associates, Company Secretaries, Pune has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall after the conclusion of voting during the Annual General Meeting, first count the votes cast during the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same. The Results of the e-voting will be declared along with the report of the Scrutinizer, within two working days of the conclusion of the AGM and shall be placed on the website of the Company www.finolex.com and on the website of NSDL https://www.evoting.nsdl.com immediately after the declaration of result by the Chairman or a person authorized by him in writing. Simultaneously the results shall also be forwarded to BSE Limited, Mumbai and The National Stock Exchange of India Limited, Mumbai.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. If you are already registered for **NSDL IDeAS facility**, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the **"Beneficial Owner"** icon under "Login" which is available under **"IDeAS"** section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or **e-Voting service provider - NSDL** and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS"** Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or **e-Voting service provider - NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.

Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or **e-Voting service provider-NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on **"Forgot User Details/ Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/ folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/ OAVM" link placed under "Join General Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) and who are otherwise not barred or restrained from voting are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly

authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to mandar@msjcs.com with a copy marked to the Company at investors@finolex.com and to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre, Manager, NSDL at evoting@nsdl.co.in or pallavi@nsdl.co.in or at telephone no. +91-22-24994545

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investors@finolex.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investors@finolex.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance latest by September 18, 2021 mentioning their name demat account number/folio number, email id, mobile number at investors@finolex.com. The same will be replied by the company suitably.

21. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection by Members at the Registered Office of the Company between 9.00 a.m. to 11.00 a.m. on any working day of the Company till September 18, 2021 or thereafter through video conference facility of NSDL.

EXPLANATORY STATEMENT IN RESPECT ITEM NOS.3 TO 13 OF SPECIAL BUSINESS OF THE NOTICE PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item Nos. 3 and 8

Mr. Padmanabh R Barpande [DIN: 00016214] was appointed with effect from September 30, 2020 as an Additional Director and an Independent Director by the Board of Directors of the Company (the "Board") at its meeting held on September 26, 2020. His appointment is in accordance with the provisions of Sections 149(1), 160(1) and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the provisions of Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (the "Rules") and the provisions of the Articles of Association of the Company. Mr. Padmanabh R Barpande holds office of Director for a period of five consecutive years subject to approval of the Members at the ensuing Annual General Meeting. His appointment has been recommended by the Nomination and Remuneration Committee and has been approved by the Board. The Company has received a notice from a member in pursuance of Section 160(1) of the Act signifying his intention to propose the appointment of Mr Padmanabh R Barpande as an Independent Director of the Company.

Padmanabh R Barpande is aged 73 years and is B.Com, LLB and F.C.A and was an audit partner with Deloitte Haskins & Sells, Chartered Accountants, Mumbai and retired after practicing for more than 30 years. He has a wide experience of serving the domestic and international clients such as Reliance, Lupin, Mahindra, Bridgestone, John Deere, Etc. He was actively involved in reformatting the accounts to US GAAP / IFRS for major domestic and multi-national companies and some of the Indian banks. He was actively involved as a speaker at the seminars organized by Professional bodies on topics relating to Accounting Standards, Corporate Governance, IFRS / US GAAP, Companies Act, etc. He is presently a Director in some reputed public / private companies. He is also serving on the Boards of listed companies namely Privi Speciality Chemicals Limited and Westlife Development Limited. Mr. Padmanabh R Barpande has successfully qualified the online proficiency self-assessment test for Independent Director's Databank of Indian Institute of Corporate Affairs. He does not hold any equity shares in the Company.

The Company has received requisite declaration from Mr. Padmanabh R Barpande that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 25(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"). Based on the aforesaid declaration and its assessment by the Board, the Board is of the opinion that he fulfills the prescribed conditions for appointment as Independent Director and considers his appointment would be beneficial for the Company.

Other than Mr. Padmanabh R Barpande none of the Directors or Key Managerial Personnel of the Company and/or their relatives is/are in anyway concerned or interested financially or otherwise in the resolutions to be passed with regard to Item Nos. 3 and 8 of the Notice.

The Board therefore recommends his appointment as a Director on the Board of Directors of the Company.

Item Nos. 4 and 9

Mr Avinash S Khare [DIN: 06759588] was appointed with effect from September 30, 2020 as an Additional Director and an Independent Director by the Board of Directors of the Company (the "Board") at its meeting held on September 26, 2020. His appointment is in accordance with the provisions of Sections 149(1), 160(1) and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the provisions of Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (the "Rules") and the provisions of the Articles of Association of the Company. Mr. Avinash S Khare holds office of Director for a period of five consecutive years subject to approval of the Members at the ensuing Annual General Meeting. His appointment has been recommended by the Nomination and Remuneration

Committee and has been approved by the Board. The Company has received a notice from a member in pursuance of Section 160(1) of the Act signifying his intention to propose the appointment of Mr. Avinash S Khare as an Independent Director of the Company.

Mr. Avinash S Khare is aged 67 years' and holds a Bachelor's degree in Commerce and professional degree as ACMA (I.C.W.A) from Indian Institute of Cost Accountant (ICA). He was the Chief Financial Officer (CFO) of Kalyani Forge Limited. He has extensive expertise in Accounting, Management Accounting, Costing Projects, Banking Taxation Customs and Exports. Mr. Avinash S Khare has successfully qualified the online proficiency self-assessment test for Independent Director's Databank of Indian Institute of Corporate Affairs. He does not hold any equity shares in the Company.

The Company has received requisite declaration from Mr. Avinash S Khare that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 25(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"). Based on the aforesaid declaration and its assessment by the Board, the Board is of the opinion that he fulfills the prescribed conditions for appointment as Independent Director and considers his appointment would be beneficial for the Company.

Other than Mr Avinash S Khare none of the Directors or Key Managerial Personnel of the Company and/or their relatives is/are in anyway concerned or interested financially or otherwise in the resolutions to be passed with regard to Item Nos. 4 and 9 of the Notice.

The Board therefore recommends his appointment as a Director on the Board of Directors of the Company.

Item Nos. 5 and 10

Pursuant to the recommendation of the Nomination and Remuneration Committee in this regard, Mrs. Firoza F Kapadia [DIN: 08899561] was appointed with immediate effect as an Additional Director and an Independent Woman Director by the Board of Directors of the Company (the "Board") at its meeting held on September 26, 2020. Her appointment is in accordance with the provisions of Sections 149(1), 160(1) and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the provisions of Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (the "Rules") and the provisions of the Articles of Association of the Company. Subject to the approval of the Members in general meeting, Mrs. Firoza F Kapadia holds office of Independent Director for a term of five consecutive years with effect from September 30, 2020. The Company has received a notice from a member in pursuance of Section 160(1) of the Act signifying his intention to propose the appointment of Mrs. Firoza F Kapadia as Director of the Company.

Mrs. Firoza F Kapadia, aged about 35 years, graduated in Commerce from Jai Hind College, Mumbai and has completed her Bachelors in Law from KC Law College, Mumbai. She is a well-known lawyer practicing since over a decade. She has worked with J Sagar Associates (JSA) and has a diverse dispute resolution and litigation practice. She was the lead attorney on several corporate commercial matters, arbitrations, trial hearings and family law matters. She was representing before Bombay High Court, Goa High Court, NCLT, the Small Causes Court, metropolitan magistrate Court, Family Court and arbitration practice with respected arbitrators who were retired judges of the Supreme Court and varied High Courts of the Country. She is an Independent Woman Director on the Board of Directors of Man Infraconstruction Limited and is also a Member of its Audit Committee. Mrs. Firoza F Kapadia has successfully qualified the online proficiency self-assessment test for Independent Director's Databank of Indian Institute of Corporate Affairs. She does not hold any equity shares in the Company.

The Company has received requisite declaration from Mrs. Firoza F Kapadia that she meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 25(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"). Based on the aforesaid declaration and its assessment by the Board, the Board is of the opinion that she fulfills the prescribed conditions for appointment as Independent Woman Director and considers her appointment would be beneficial for the Company.

Other than Mrs. Firoza F Kapadia none of the Directors or Key Managerial Personnel of the Company and/ or their relatives is/are in any way concerned or interested financially or otherwise in the resolutions to be passed with regard to Item Nos. 5 and 10 of the Notice.

The Board therefore recommends her appointment as an Independent Woman Director on the Board of Directors of the Company for a term of five consecutive years with effect from September 30, 2020.

Item Nos. 6

Mr Prasad M Deshpande [DIN: 00040587] was appointed with effect from September 30, 2020 as an Additional Director by the Board of Directors of the Company (the "Board") at its meeting held on September 26, 2020. His appointment is in accordance with the provisions of Sections 149(1), 160(1) and other applicable provisions, if any, of the Companies Act, 2013

(the "Act") read with the provisions of Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (the "Rules") and the provisions of the Articles of Association of the Company. Mr Prasad M Deshpande holds office of Director upto the date of this Annual General Meeting. His appointment has been recommended by the Nomination and Remuneration Committee and has been approved by the Board. The Company has received a notice from a member in pursuance of Section 160(1) of the Act signifying his intention to propose the appointment of Mr Prasad M Deshpande as Director of the Company.

Mr Prasad M Deshpande is aged 68 years' and is Bachelor of Engineering (Electronics & Telecommunication) and was working with Finolex Cables Limited from October 1994 to May 2020 and was designated as Sr. Vice President (Works) at the time of his retiring from the Company. He has more than 35 years of rich experience in operations of light duty cables, power cables and was heading all activities of the manufacturing facilities at Urse, Pune such as production, production planning, order execution, maintenance stores, inventory control, quality assurance, projects new product development etc. He has a very wide expertise in setting up completely new plants for manufacturing of power cables and overhead conductors, etc. He does not hold any equity shares in the Company.

Other than Mr Prasad M Deshpande none of the Directors or Key Managerial Personnel of the Company and/or their relatives is/are in anyway concerned or interested financially or otherwise in the resolution to be passed with regard to Item No. 6 of the Notice.

The Board recommends his appointment as a Director on the Board of Directors of the Company and liable to retire by rotation.

Item No.7

Mr Sunil Upmanyu [DIN: 06447016], who was since long working in the Company as President – Optic Fiber, was appointed by the Board of Directors of the Company (the "Board") at its meeting held on September 26, 2020 as an Additional Director designated as Executive Director – Operations with effect from September 30, 2020 on the existing terms and conditions. His appointment is in accordance with the provisions of Sections 149(1), 160(1) and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the provisions of Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (the "Rules") and the provisions of the Articles of Association of the Company. Mr Sunil Upmanyu holds office of Director upto the date of this Annual General Meeting. His appointment has been recommended by the Nomination and Remuneration Committee and has been approved by the Board. The Company has received a notice from a member in pursuance of Section 160(1) of the Act signifying his intention to propose the appointment of Mr Sunil Upmanyu as Director of the Company.

The information or details to be provided pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is set out hereinafter.

(a) Brief Resume of the Director Mr. Sunil Upmanyu is aged 55 years and is a Bachelor's degree in Mechanical Engineering, a Master's degree in Technology from MANIT Bhopal and an MBA with specialization in Operations. He was appointed as an Additional Director by the Board of Directors at its meeting held on September 26, 2020 with immediate effect from September 30, 2020 and is liable to retire by rotation.

(b) Nature of his expertise in specific functional areas

Mr. Sunil Upmanyu has a diverse and vast experience of 34 years in manufacturing industries and projects. He started his career at Indian Telephone Industries. He is associated as one of the first Indians to manufacture optical fiber in India and was associated with four grass root optical fiber projects in India namely Optel Bhopal, Arihant Hyderabad, Aksh Optifibre Bhiwadi and Finolex Cables, Pune. He has completed more than twenty years at Finolex Cables Limited, Pune where presently he was serving as the President of the Fiber Optics Business. He does not hold any shares in the Company.

(c) Disclosure of relationships between Directors interse

None of the Directors or Key Managerial Personnel or their relatives are related to Mr Sunil Upmanyu.

(d) Names of listed entities in which the person also holds the Directorship and the Membership of Committees of the Board.

He is a Nominee Director of Finolex Cables Limited on the Board of Corning Finolex Optical Fibre Private Limited.

(e) Shareholding in the Company

Mr Sunil Upmanyu does not hold any shares in the Company.

The Board recommends his reappointment for continuing as a Director on the Board of Directors of the Company liable to retire by rotation under the provisions of the Act and of the Memorandum of Association and Articles of Association of the Company.

Other than Mr Sunil Upmanyu, none of the Directors or Key Managerial Personnel of the Company and/or their relative/s is/are, in any way, concerned or interested, financially or otherwise in the resolution to be passed with regard to Item No.7 of the Notice.

The existing terms and remuneration of Mr Sunil Upmanyu on monthly basis is set out below:

Particulars	Amount (Rs)
Basic	2,22,500
House Rent Allowance	89,000
Education Allowance	5,000
Soft Furn Allowance	5,000
Driver Allowance	13,000
Medical Allowance	18,542
LTA	18,542
Petrol Reimbursement	13,000

Other benefits, including Provident fund, Variable PLI, Bonus, Gratuity and Superannuation at applicable rates/ as per rules of the Company applicable to employees of his grade and scale

Item No. 11

The Board of Directors of the Company on the recommendation of the Audit Committee has approved the appointment of M/s Joshi Apte & Associates, Cost Accountants, Pune (Firm Registration No.00240), to conduct audit of the cost records of the Company for the financial year ending March 31, 2022 (Financial Year 2021-22).

In accordance with the provisions of Section 148 of the Companies Act, 2013 (the "Act") read with the Companies (Audit and Auditors) Rules, 2014 the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company. Hence this resolution is put up for the consideration of the Members.

The Board recommends the Ordinary Resolution set out at Item No.11 of the Notice for approval by the Members. None of the Directors or Key Managerial Personnel of the Company and/or their relatives are, in any way, concerned or interested, financially or otherwise in the resolution set out at Item No.11 of the Notice.

Item No.12

Section 42 of the Companies Act, 2013 (the "Act") read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 deals with private placement of securities by a company. Sub-rule (2) of the said Rule 14 states that in case of an offer or invitation to subscribe for non-convertible debentures on private placement basis, a company shall obtain previous approval of its Members by means of a special resolution only once in a year for all the offers or invitations for such debentures during the year. In this regard private placement means an offer of securities or invitation to subscribe securities to a select group of persons by a company (other than by way of public offer) through issue of a private placement offer letter and which satisfies the conditions specified in Section 42 of the Act.

In terms of the aforesaid provisions, the Members of the Company had, at the 52nd Annual General Meeting held on September 29, 2020, authorised the Board of Directors of the Company to offer or invite subscription for nonconvertible debentures in one or more tranches aggregating upto an amount of Rs.150 Crores (Rupees One Hundred Fifty Crores only) on private placement basis on such terms and conditions including security as the Board may, from time to time, decide in the said year. It may please be noted that considering the scenario of possible reduction in interest rates as then prevailing during the financial year 2020-21, the Company had not made any private placement of nonconvertible debentures pursuant to the authority accorded by the Members by the resolution passed at the 52nd Annual General Meeting held on September 29, 2020.

SEBI vide Circular No.SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018 mandated that large corporates as defined in the said Circular shall raise not less than 25% of their incremental borrowings by way of issuance of debt securities as defined under SEBI (Issue and Listing of Debt Securities) Regulations, 2008. Non-Convertible Debentures ("NCDs") issued on a private placement basis fall within the definition of debt securities as defined in the said SEBI Regulations. The Company presently is not falling under the definition of large corporate as defined in the said SEBI Circular dated November 26, 2018. The Company may however require to augment its long term resources for financing, its planned or ongoing capital expenditure and for general corporate purposes and the Company may offer or invite subscription for secured or unsecured redeemable non-convertible debentures, in one or more series or tranches on a private placement basis, issuable or redeemable at par. CRISIL has assigned AA+/Stable rating to the said proposed issue of non-convertible debentures by the Company.

The approval of the Members is being sought by way of a Special Resolution under Sections 42 and 71 and other applicable provisions, if any, of the Act read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 to enable the Company to offer or invite subscription for NCDs on a private placement basis, in one or more tranches during the period of one year from the date of passing the resolution at Item No.12 within the overall borrowing limits of the Company, as approved by the Members from time to time.

The Board recommends the Special Resolution set out at Item No.12 of the Notice for approval by the Members of the Company.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives are, in any way, concerned or interested financially or otherwise, in the resolution set out at Item No.12 of the Notice.

Item No. 13

The Company and Corning Ventures France SAS (a French subsidiary of Corning Incorporated, USA) entered into a joint venture under the name "Corning Finolex Optical Fibre Private Limited" (CFOFPL). Pursuant to the approval of the Board of Directors of the Company at its meeting held on February 8, 2011 an Agreement dated June 16, 2011 ("JV Agreement") was entered into between the Company and CFOFPL in order for the Company to purchase optical fiber from CFOFPL (the "Transaction"). The business of CFOFPL is to purchase optical fiber produced by Corning Technologies India Private Limited and sell the same to merchant cablers in India.

The particulars of the Transaction in terms of Clause 3 of the Explanation to Rule 15 sub-rule (3) of the Companies (Meetings of Board and its Powers) Rules, 2014 are as under:

1	**Name of the related party**	**Corning Finolex Optical Fibre Private Limited ("CFOFPL")**
2	Name of the Director(s) or key managerial personnel who is related, if any.	Mr D K Chhabria Mr Mahesh Viswanathan Mr Sunil Upmanyu
3	Nature of relationship	Nominee Directors of the Company on the Board of CFOFPL.
4	Nature of material terms, monetary value and particulars of the contract or arrangement.	Estimated annual purchase value at current prices is Rs. 35 Crores or 1 Million KM Fiber quantity whichever is higher; normal credit period applicable is 30 days.
5	Any other information relevant or important for the members to take a decision on the proposed resolution.	Advantages for the Company by virtue of being a JV partner in CFOFPL are as under: (a) The Company would have confirmed long term source of supply for its fiber requirements as and when its requirement of fiber exceeds its own manufacturing capacity. (b) From time to time, cable customers specify or mandate that their cable should be made with a specific brand of fiber. Where such specification requires the use of only Corning branded fiber, this JV Agreement allows the Company to procure fiber without entering into protracted negotiations, and. (c) The Company would participate equally in the profits that would accrue to CFOFPL via its operations. Being primarily a trading company, the investment in CFOFPL is not expected to be large and hence the returns would be attractive in the long run.

The Transaction is entered into in the ordinary course of business of the Company. The Ministry of Corporate Affairs has vide its General Circular No. 30 / 2014 dated July 17, 2014 clarified that contracts entered into by companies, after making necessary compliances under Section 297 of the then Companies Act, 1956, which already came into effect before the commencement of Section 188 of the Companies Act, 2013, that is, April 1, 2014, will not require fresh approval under Section 188 till the expiry of the original term of such contracts, except where any modification in such contract is made on or after April 1, 2014. However, for ensuring better corporate governance and as a matter of abundant caution, the approval of the Members is being sought by way of a special resolution.

The Board resolution dated February 8, 2011 and the JV Agreement entered into between the Company and Corning Finolex Optical Fibre Private Limited are available for inspection by the Members at the Registered Office of the Company between 9.00 am to 11.00 am on any working day of the Company till September 18, 2021 or thereafter through video conference facility of NSDL.

It is in the interest of the Company to pass the special resolution. The Audit committee has approved the proposed resolution and the Board has approved and recommended the said resolution, which is being placed before the Members for their approval.

Mr D K Chhabria, Mr Sunil Upmanyu, Directors and Mr Mahesh Viswanathan, Chief Financial Officer are the nominees of the Company on the Board of Directors of CFOFPL. Accordingly, they may be deemed to be concerned or interested in this Special Resolution. Mr D K Chhabria, Mr Sunil Upmanyu, Directors and Mr Mahesh Viswanathan, Chief Financial Officer do not hold beneficial interest in any shares of or have any pecuniary interest in CFOFPL.

None of the other Directors or Key Managerial Personnel of the Company and/or their relatives is/are concerned or interested in the said resolution at Item No.13 of the Notice.

By Order of the Board of Directors

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

Place: Pune
Dated: August 12, 2021

Registered Office:
26/27, Mumbai-Pune Road,
Pimpri, Pune - 411018.
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