



# Shalimar

Wires Industries Limited

**23RD ANNUAL REPORT**  
**2018-2019**

## *Our beloved Founder Chairman*



*Sri S. N. Khaitan*  
*(1922-1999)*

*He continues to guide us towards Excellence*

*through Latest Technology, Customer  
Satisfaction and Exports.*

*He lives in the hearts of tomorrow.*

## Board of Directors

### Chairman & Managing Director

SUNIL KHAITAN

### Directors

MANASH CHAKRABORTY (Nominee Director representing ARCIL till 2nd August, 2018)

DIP MITRA (Nominee Director representing ARCIL w.e.f. 2nd August, 2018)

PARMANAND TIWARI (w.e.f. 13th August, 2018)

DR. RAJIVA (w.e.f. 13th August, 2018)

DIPAK DASGUPTA (resigned on 6th August, 2019 )

SURABHI SANGANERIA

### Executives

D. KHAITAN – President - Paper Machine Wire Unit (Nashik)

S. J. SENGUPTA – President & Chief Financial Officer

S. K. KEJRIWAL – Vice President (Corporate Affairs) & Company Secretary

### Solicitors

Khaitan & Co.

Chaubey & Co.

### Statutory Auditor

Khandelwal Ray & Co.

### Bankers

Kotak Mahindra Bank Limited

### Registered and Head Office

25, Ganesh Chandra Avenue

Kolkata- 700 013

Tel : 91-33-22349308/09/10, Fax: 91-33-2211 6880

Email : swilho@shalimarwires.com

website : www.shalimarwires.com

CIN No. L74140WB1996PLC081521

### Registrar & Share Transfer Agent

Maheshwari Datamatics Pvt.Ltd.

23 R.N. Mukherjee Road

Kolkata – 700 001

Tel.Nos: (033) 2243-5029/5809, 22482248

Fax : (033) 2248 4787

E-mail : mdpl@cal.vsnl.net.in, mdpldc@yahoo.com

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# Shalimar Wires Industries Limited

CIN: L74140WB1996PLC081521

Registered Office: 25, Ganesh Chandra Avenue, Kolkata- 700 013

Tel: 91-33-22349308/09/10, Fax: 91-33-2211 6880

Email Id- kejriwal@shalimarwires.com

Website: www.shalimarwires.com

## NOTICE

Notice is hereby given that the 23rd Annual General Meeting of the members of SHALIMAR WIRES INDUSTRIES LIMITED will be held at Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, Kolkata - 700 017 on Saturday, the 21st September, 2019 at 10.00 A.M. to transact the following business :

### Ordinary Business :

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2019 together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sunil Khaitan (DIN 00385961) who retires by rotation and being eligible, offers himself for re-appointment as a Director.

### Special Business :

3. 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 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Mitra Bose & Associates, Cost Accountants (Registration No. 000037), appointed by the Board of Directors of the Company as Cost Auditors, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2020 be paid remuneration of Rs.50,000/- (Rupees Fifty Thousand Only) plus Service Tax as applicable.

**“RESOLVED FURTHER THAT** each of the Directors and the Company Secretary of the Company, be and are hereby severally authorized to take all such steps as may be necessary, proper and expedient to give effect to the aforesaid resolution.

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

**“RESOLVED that** pursuant to the provisions of Sections 196, 197 and any other applicable provisions, if any, of the Companies Act, 2013 (Act) read with the provisions of the Rules framed thereunder and read with Schedule V to the Act and further read with any other provisions of law, as applicable for the time being, consent of the members be and is hereby accorded for increasing the remuneration of Mr. Sunil Khaitan, Chairman & Managing Director from Rs. 42 lakhs per annum to Rs. 84 lakhs per annum from 1st December, 2018 till his remaining term i.e. upto 31st March, 2020, in the manner as set out in the letter addressed to him by the Company, a copy whereof was placed before the meeting.”

Place: Kolkata

Date: 12th August, 2019

By Order of the Board

**Shalimar Wires Industries Limited**

Registered Office:

25, Ganesh Chandra Avenue

Kolkata – 700 013

**S.K. Kejriwal**

Company Secretary

Membership No. ACS 10031

**NOTES**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. MEMBERS ARE REQUESTED TO NOTE THAT PURSUANT TO PROVISIONS OF SECTION 105 OF THE COMPANIES ACT, 2013, READ WITH THE APPLICABLE RULES THEREON, A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS A PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE VALID AND EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED, NOT LESS THAN 48 (FORTY-EIGHT) HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF COMPANIES, SOCIETIES ETC. MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/AUTHORITY, AS APPLICABLE. EVERY MEMBER ENTITLED TO VOTE AT THE MEETING CAN INSPECT THE PROXIES LODGED WITH THE COMPANY, AT ANY TIME DURING THE BUSINESS HOURS OF THE COMPANY, DURING THE PERIOD BEGINNING 24 (TWENTY-FOUR) HOURS BEFORE THE TIME FIXED FOR THE COMMENCEMENT OF THE MEETING AND ENDING ON THE CONCLUSION OF THE MEETING. HOWEVER, A PRIOR NOTICE OF NOT LESS THAN 3 (THREE) DAYS IN WRITING OF THE INTENTION TO INSPECT THE PROXIES LODGED SHALL BE REQUIRED TO BE PROVIDED TO THE COMPANY.
2. The proxy holder shall prove his / her identity at the time of attending the Meeting.
3. When a member appoints a proxy and both the member and proxy attend the meeting, the proxy stands automatically revoked.
4. Corporate members are required to send to the Company a certified copy of the Board Resolution (together with the respective specimen signatures), pursuant to Section 113 of the Companies Act, 2013 (as amended) ("the Act"), authorizing their representative to attend and vote on their behalf at the Meeting.
5. Members/proxies are requested to bring their attendance slip duly filled along with their copy of Annual Report to the meeting. For shares held in dematerialized form, the DP ID and Client ID numbers should be indicated in the attendance slip.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. A Statement pursuant to Section 102 of the Act and Secretarial Standard on General Meetings (SS-2), setting out the material facts relating to the Special Business to be transacted at the Meeting is annexed hereto and forms a part of the notice.
8. The Register of Members and the Share Transfer Books of the Company will remain closed from Monday, 16th September, 2019 to Saturday, 21st September, 2019 (both days inclusive).
9. Members are requested to notify any change in their address to the Company or its share transfer agent M/s. Maheshwari Datamatics Pvt. Ltd., 23, R.N. Mukherjee Road, Kolkata - 700 001 and in case shares are held in dematerialized form, this information should be forwarded to the respective Depository participants without any delay.
10. In compliance with SEBI notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 read with amendment notification no. SEBI/LAD-NRO/GN/2018/49 dated 30th November, 2018 and BSE Circular No. LIST/COMP/15/2018-19 dated 5th July, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) are not processed from 1st April, 2019 unless the securities are held in dematerialised form with the depositories. Therefore, members are requested to consider dematerialising shares held by them in physical form.
11. Members who are holding 14% Partly convertible Debentures of Rs. 30/- each and have not yet surrendered their debenture certificate(s) are requested to surrender the same to the Company at its Registered Office at 25, Ganesh Chandra Avenue, Kolkata-700 013 for redemption.

12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) and bank details (a copy of the PAN card and original cancelled cheque leaf /attested bank passbook showing name of account holder) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN and bank details to their Depository Participant(s). Members holding shares in physical form can submit their PAN and bank details to the Company/Registrar & Share Transfer Agent, M/s. Maheshwari Datamatics Pvt. Ltd.
13. In all correspondences with the Company, members are requested to quote their Account/Folio numbers and in case their shares are held in dematerialized form, they must quote their client ID number and their DP ID number.
14. To comply with the provision of Section 88 of the Companies Act, 2013 read with Rule 3 of the Companies (Management and Administration) Rules 2014, the Company shall be required to update its database by incorporating members' designated e-mail ID in its records.
15. Members having any queries on financial statements or any agenda items proposed this notice are requested to send their queries to the Company Secretary at its Registered Office address, at least 10 days prior to the Annual General Meeting so that the information can be compiled in advance.
16. Electronic copy of the Notice of 23rd AGM of the Company, indicating process and manner for e-voting, along with the Attendance Slip and Proxy Form, is being sent to all members whose email id is registered with the Company/Depository Participant(s). For members who have not registered their e-mail address, physical copies of the Notice of the 23rd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
17. Members may also note that the Notice of the 23rd Annual General Meeting and the Annual Report for the Financial Year ended 31.03.2019 will also be available on the Company's website [www.shalimarwires.com](http://www.shalimarwires.com) The Notice of AGM shall also be available on the website of CDSL viz. [www.evotingindia.com](http://www.evotingindia.com) for their download.
18. Brief resume of Director proposed to be re-appointment at the ensuing Annual General Meeting in terms of Regulation 26 (4) and 36 (3) of the SEBI (LODR) Regulation, 2015 and Secretarial Standard for General Meetings (SS-2) is annexed hereto and forms part of this Notice. The Company is in receipt of relevant disclosures from the Director pertaining to his re-appointment.
19. The relevant documents referred to into the Notice and accompanying Statement are available for inspection by the members of the company at the Registered Office during normal business hours on all working days from 10.00 AM to 5.00 PM up to the date of the Annual General Meeting. The Register of Director and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, and Register of Contracts or Arrangements in which directors are interested under Section 189 will be made available for inspection by members of the Company at the meeting.
20. Members may also note that the Notice of the Meeting along with the route map and the Annual Report 2018-19 will also be available on the website of the Company ([www.shalimarwires.com](http://www.shalimarwires.com)) for download.
21. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Rules, 2015, Regulation 44 of SEBI (LODR) Regulation, 2015 and Secretarial Standard- 2, the Company is pleased to provide Members holding shares either in physical form or in dematerialized form facility to exercise their right to vote at the 23rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).

**The instructions for members for voting electronically are as under :**

- A. In case of members receiving e-mail:
  - i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period. Click on "Shareholder" tab.
  - ii) Now, select "SHALIMAR WIRES INDUSTRIES LIMITED" from the drop down menu and click on "SUBMIT"

- iii) Put user ID and password.
- For CDSL: 16 digits beneficiary ID
  - For NSDL: 8 Character DP ID followed by 8 digit client ID
  - Members holding shares in Physical Form should enter Folio Number registered with the Company
- iv) Next enter the Image Verification as displayed and Click on Login.
- v) If you are holding shares in Dematerialized form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
- vi) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat and physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. Sequence number is communicated in the Attendance Slip/ Covering letter.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account in dd/mm/yyyy format or folio.

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

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- B. In case a member receives physical copy of the Notice of AGM (for members whose e-mail Ids are not registered with the Company/Depository Participant(s) or requesting physical copy), Please follow all steps from sl. no. (i) to sl. no. (xvi) above to cast vote.
22. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an e-mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). Further queries relating to remote e-voting may be addressed to Mr. S.K. Kejriwal, Company secretary, 25 Ganesh Chandra Avenue, Kokata- 700013, email - [kejriwal@shalimarwires.com](mailto:kejriwal@shalimarwires.com), Phone No. (033) 22349308.
23. The e- voting period commences on 18th September, 2019 (09.00 AM) and ends on 20th September, 2019 (05.00 PM), both days inclusive. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 14th September, 2019, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is casted by the member, the member shall not be allowed to change it subsequently or cast his vote by any other means.
24. Any person who acquires shares of the Company and becomes member of the Company after dispatch of the Notice of AGM and holding shares as on the cut -off date i.e. 14th September, 2019 may obtain the User Id and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). However, if the member is already registered with CDSL for remote e-voting then he can use his existing user ID and password for casting the vote through e-voting. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on [www.evotingindia.com](http://www.evotingindia.com)
25. The voting rights of shareholder shall be in proportion to their shares of the paid up value of equity share capital of the Company as on the cut-off date of 14th September, 2019. 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 as well as voting at the meeting through ballot paper and a person who is not a Member as on the cut-off date should treat this Notice for information purpose only.
26. The facility for voting, through ballot paper shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by remote e-voting shall be able to vote at the meeting through “Ballot Paper”. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
27. The Board of Directors of the Company has appointed CS Mohan Ram Goenka, Practicing Company Secretary, (Membership No. F4515) to scrutinize the voting and remote e-voting process in a fair and transparent manner.
28. The Scrutinizer shall immediately after the conclusion of voting at the AGM, will first count the votes cast at 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, not later than three days of the conclusion of the AGM, 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 and declare the result of the voting forthwith.

The Results shall be declared either by the Chairman or by any Director authorized by the Chairman and the resolution will be deemed to have been passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolution(s).

Further, in accordance with Regulation 44(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company shall submit to the Stock Exchange, details of the Voting results in the prescribed format within 48 (forty eight) hours of conclusion of the Annual General Meeting (AGM).

29. Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to have been passed on the date of the Meeting i.e. 21st September, 2019.
30. The Results declared along with the Scrutinizer's report shall be placed on the Company's website [www.shalimarwires.com](http://www.shalimarwires.com) and on the website of CDSL immediately after the declaration of the results by the Chairman or a person authorized by him in writing. The results shall also be immediately be forwarded to BSE and CSE where the shares of the Company are listed.
31. A Route Map showing directions to reach to the venue of the 23rd AGM of the Company is given at the end of this Notice as per the requirement of the Secretarial Standard - 2 on "General Meeting" issued by The Institute of Company Secretaries of India (ICSI).
32. M/s. Khandelwal Ray & Co., Chartered Accountants, Kolkata (Firm Regn. No. 302035E) was appointed as statutory auditors of the Company by the members at the AGM of the Company held on 22nd September, 2017 to hold office for a term of consecutive 5(five) years commencing from the conclusion of that AGM until the conclusion of the 26th AGM on a remuneration to be mutually agreed upon with the Board of directors subject to ratification by the members at every AGM. Consequent to the amendment in Section 139 of the Companies Act, 2013, vide which the proviso requiring ratification of such appointment by members at every AGM has been omitted, no item has been included in this Notice towards ratification of such appointment. Accordingly, M/s. Khandelwal Ray & Co. shall continue to hold the office as statutory auditors of the Company for the remaining term of their appointment as approved by the members at the AGM held on 22nd September, 2017 without ratification of such appointment at every AGM.

#### ANNEXURE TO THE NOTICE

##### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

###### Item No. 3

The Board, on recommendation of Audit Committee, has approved appointment of M/s. Mitra Bose & Associates, Cost Accountants (Registration No.000037) as cost auditor of the Company, for a remuneration of Rs. 50,000/- plus GST as applicable, to conduct the audit of the cost accounting records of the Company for the financial year ending on 31st March, 2020.

In accordance with the provisions of section 148 of the Companies Act read with Companies (Audit and Auditors) Rules 2014 (as amended), consent of the members is sought for ratification of the remuneration payable to the Cost Auditors of the Company.

None of the Directors and the Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the shareholders.

###### Item No. 4

The salary structure of Mr. Sunill Khaitan, Chairman & Managing Director was earlier fixed by the shareholders vide resolution dated 22nd September, 2017 for a period of 3 years i.e. from 1st April, 2017 till 31st March, 2020.

In view of efforts made by Mr. Sunil Khaitan in revival of the company and ongoing expansion and modernization plan of its existing manufacturing facilities under his guidance, the Board of Directors of the Company in its meeting held on 14th November, 2018, on the recommendation of the Nomination and Remuneration Committee,

subject to the approval of the members of the Company, decided to revise the remuneration of Mr. Sunil Khaitan, Chairman & Managing Director from Rs. 42 lakhs to Rs. 84 lakhs per annum with effect from 1st December, 2018.

The revised salary and the terms and conditions of appointment are set out below:

1. Salary at the rate of Rs. 3,70,000/- (Rupees three Lakhs seventy thousand) per month. i.e. Rs. 44,40,000 (Rupees forty four lakhs forty thousand) per annum. In addition to the Salary, Mr. Khaitan is also entitled to get the following benefit:-
  - (a) To the perquisites/benefits like furnished accommodation/house rent allowances, gas, electricity, water and furnishings, medical reimbursement and leave travel concession for self and family, club fees, personal accident insurance etc. as per rules of the company. Perquisites/benefits will be evaluated at actual cost, and will not exceed Rs.3,30,000/- p.m. i.e. Rs. 39,60,000/- per annum. Total remuneration including perquisite/benefits shall not exceed Rs.7,00,000/- p.m. or Rs. 84,00,000/- per annum.  
However, in computation of the aforesaid remuneration, the following perquisites are not included:
    - i) contribution to provident fund or superannuation fund to the extent these are whether singly or put together not taxable under the Income Tax Act, 1961;
    - ii) gratuity payable at a rate not exceeding half month's salary for each completed year of services; and
    - iii) encashment of leave at the end of the tenure.
  - (b) Mr. Khaitan shall also been entitled to earn/privilege leave on full pay and allowances as per rules of the Company but not exceeding one month's leave for every eleven months service under the Company provided that leave accumulated but not availed of will be allowed to be encashed in accordance with the rules of the Company.
2. Mr. Sunil Khaitan shall not so long as he functions as the Chairman & Managing Director of the Company be entitled to receive any fee for attending any of the Board or a Committee thereof.
3. The appointment of Managing Director may be terminated by either party to the Agreement by giving to the other three months notice in writing in which event Mr. Sunil Khaitan shall be entitled to receive his remuneration hereunder up to the expiration of such notice.
4. In the event that the Company in any financial year during the aforesaid period, has no profits or its profits are inadequate, the remuneration payable to Mr. Sunil Khaitan shall not exceed the limits specified in Section II of Part II of Schedule V to the Act or any modification(s) or re-enactment thereof as minimum remuneration, subject to such approvals as may be required.

Therefore, it is proposed to seek the member's approval for revision in remuneration payable for the remaining term i.e. upto 31st March, 2020 to Mr. Sunil Khaitan as Chairman & Managing Director, in terms of applicable provisions of the Act.

This details of Mr. Sunil Khaitan seeking re-appointment at the ensuing AGM under Regulation 36 of Listing Regulations and Secretarial Standard for General Meeting (SS- 2) is annexed to the Notice.

A copy of the draft letter of appointment referred to in the proposed Special Resolution may be inspected by any member at the Registered Office of the Company on any working day prior to the date of the AGM between 10.00 a.m. and 12.00 noon and will also be available for inspection at the AGM.

Mr. Sunil Khaitan, being appointee, and his relatives may be deemed to be concerned or interested in the resolution to the extent of the remuneration payable to him. No other Directors / Key Managerial Personnel of the Company / their relatives in any way are concerned or interested "financially or otherwise" in the proposed resolution.

The Board of directors recommend passing of the proposed Special Resolution as set out at Item No. 4 of the notice.

**Particulars of the Director being proposed for appointment/re-appointment at the ensuing Annual General Meeting pursuant to Regulation 26(4) and 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 Secretarial Standard on General Meetings:**

<b>Name of Directors</b>	<b>Mr. Sunil Khaitan</b>
Date of Birth	22.05.1959
Date of Appointment/Re-appointment	12.09.2000
Expertise in specific functional area	A Commerce Graduate and having more than 37 years experience in the Industry.
Qualification	B. Com
Terms and conditions of appointment or re-appointment	As per the Agreement
Remuneration sought to be paid	As per the Agreement
Remuneration last drawn	Rs. 57.38 lakhs during the F.Y 2018-19
Directorships held in other Public companies (excluding foreign and private companies)	NIL
Chairman/member of the Committees across Public Companies	NIL
No. of equity shares held in the Company	274662
Relationship with other Directors inter-se and Key Managerial Personnel	Mr. Sunil Khaitan is not related with any Directors and Key Managerial Personnel of the Company.
Number of Meetings of the Board attended during the year	Mr. Sunil Khaitan attended all the four Board meetings held during the year.

Place: Kolkata

Date: 12th August, 2019

By Order of the Board

**Shalimar Wires Industries Limited**

Registered Office:

25, Ganesh Chandra Avenue

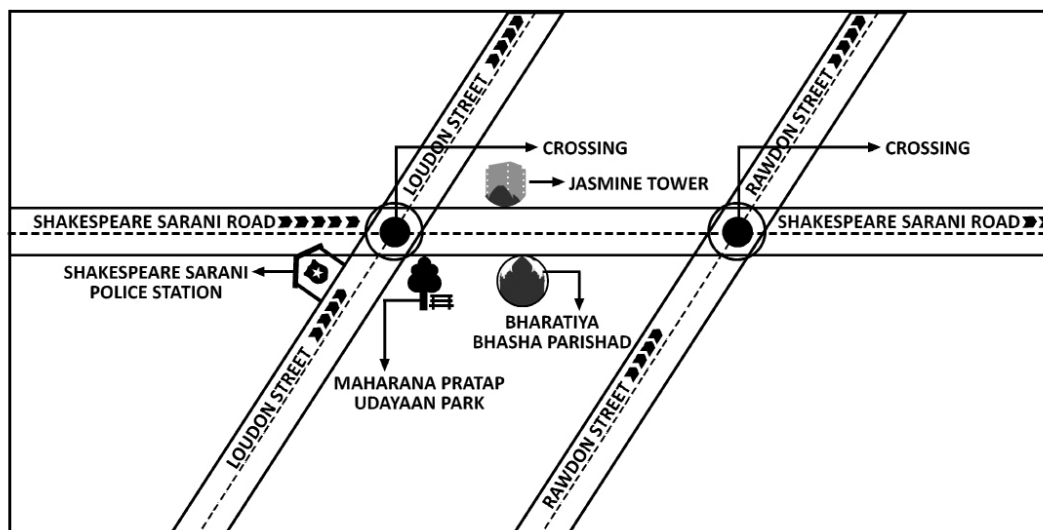
Kolkata - 700 013

**S.K. Kejriwal**

Company Secretary

Membership No. ACS 10031

**ROUTE MAP TO THE VENUE OF THE AGM**



**VENUE - Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, Kolkata - 700 017**

## Director's Report

To the Members

Your Directors have pleasure in presenting the 23rd Annual Report on the working of the Company together with the audited accounts for the financial year ended 31st March, 2019.

### FINANCIAL RESULTS

The financial results of the Company as prescribed in the said Accounts are summarized below :

Particulars	2018-19	2017-18
	(Rs. In lacs)	(Rs. In lacs)
Revenue from Operations (Net)	11534.55	10806.67
Other Income	333.78	331.49
Total Revenue	11868.33	11138.16
Less : Total Expenses	10995.20	10915.92
<b>Profit before Finance Cost and Depreciation</b>	<b>873.13</b>	<b>222.24</b>
Less : Finance Cost	881.31	797.06
Depreciation and Amortization Expense	504.81	536.27
<b>Profit before exceptional/extra-ordinary items</b>	<b>(512.99)</b>	<b>(1111.09)</b>
Add : Exceptional Items	–	21457.65
Profit before Tax	(512.99)	20346.56
<b>Add : Deferred Tax</b>	–	–
Profit for the year from continuing operation	(512.99)	20346.56
Profit/(Loss) from discontinuing operation	–	–
Other comprehensive income	(21.24)	42.75
<b>Profit for the year</b>	<b>(534.23)</b>	<b>20389.31</b>

### OPERATIONAL REVIEW

During the year under review, total revenue of the company was higher by 6.7% i.e. Rs. 11868.33 lacs as compared to Rs.11138.16 lacs in the previous year. The operating surplus (profit before finance cost and depreciation) of the Company was Rs. 873.13 lacs as compared to Rs.222.24 lacs in the previous year. However during the year, the profit of the Company has been adjusted by Rs. 698.42 lacs being the liability of custom duty on account of earlier years for non-fulfilment of export obligation of its closed unit at Nasik and due to this, there is net loss during the year of Rs. 534.23 lacs as against net profit of Rs. 20389.31 ( including exceptional item of Rs. 21457.65 lacs ) in the previous year.

### DIVIDEND

Your Directors does not recommend any dividend on Equity Shares for the year under review.

### RESERVES

During the financial year under review, in view of loss, the Company has not transferred any amount to General Reserve.

### EXPORT

The Company's export turnover has increased by 8.80% during the year under review i.e. Rs. 2267.90 lacs as compared to Rs. 2084.15 lacs in the previous year.

**DEPOSITS**

The Company has not accepted any public deposit since its inception.

**MODERNIZATION CUM EXPANSION PLAN**

The Company has taken major capacity expansion and up-gradation plan for manufacturing facilities at Uttarpara unit due to change in market dynamics and demand for hi-tech products which will result in increase in production level of synthetic forming fabric and larger market share for the Company. The Company has already started commercial production in two imported Looms and other machineries are also under the installation stage. The company is hopeful that with such capacity expansion and up-gradation plan in its existing manufacturing facilities, profitability of the company will increase substantially in coming years.

**TRANSFER TO INVESTORS' EDUCATION AND PROTECTION FUND**

In terms of exemption granted by erstwhile Board for Industrial and Financial Reconstruction (BIFR) vide its order dated 10th June, 2010, the Company has been making payment to the debentureholders under public category as and when claims have been received by the Company. In view of repeal of SICA Act and dissolution of BIFR by Govt. of India, the Company is required to transfer the unclaimed debentures alongwith accrued interest to Investors Education and Protection Fund pursuant to Section 125 of the Companies Act, 2013 and other applicable provision. Accordingly, your Board has decided to transfer the unclaimed debentures and accrued interest to Investors Education and Protection Fund after giving necessary notices to the Debenture holders in terms of provisions of Section 125 of the Companies Act, 2013 and other applicable provisions for which necessary steps are being taken.

**DIRECTORS**

Mr Dipak Dasgupta (DIN 01099414) resigned from Board of Directors of the Company on 6th August, 2019. The board placed on record its deep appreciation of valuable contribution made by Mr. Dipak Dasgupta during his tenure as Director of the Company.

As per provisions of Section 152 of the Companies Act, 2013 read with Companies (Appointment and Qualifications of Directors) Rules, 2014, Mr. Sunil Khaitan (DIN 00385961) Director of the Company, retires by rotation and being eligible offer himself for reappointment. The resolution has been included in the Agenda of the ensuing Annual General Meeting. Approval of the members is sought for the said appointment.

Brief particulars of the Mr Sunil Khaitan, Chairman and Managing Director as stipulated under Regulation 26(4) and 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been given in the Notice convening the ensuing annual general meeting and your Board recommends his re-appointment as set out in the Notice.

**KEY MANAGERIAL PERSONNEL (KMPs)**

There was no change in key managerial personnel during the year under review.

**DECLARATION FROM INDEPENDENT DIRECTORS**

The independent directors have submitted their declaration of independence as required under Section 149(6) of the Companies Act, 2013 read with the Schedules and rules issued thereunder as well as SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Board is of the opinion that they are independent within the meaning of the said requirement of the Act.

## **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

The Board of Directors of the Company, based on the recommendation of the Nomination & Remuneration Committee has formulated a Remuneration Policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy has been placed on the website of the Company at [www.shalimarwires.com](http://www.shalimarwires.com) under the weblink <http://www.shalimarwires.com/uploaded/5b71775bcd5efNomination%20&%20Remuneration%20Policy.pdf>

## **STATUTORY AUDITORS**

In terms of Section 139(2) of the Companies Act, 2013, M/s. Khandelwal Ray & Co. Chartered Accountants, Kolkata (Regn. No. 302035E) were appointed as the Statutory Auditors for a period of 5 years commencing from the conclusion of the 21st Annual General Meeting till the conclusion of the 26th Annual General Meeting at a remuneration to be fixed by the Board from time to time.

## **AUDITORS' REPORT**

The Auditors Report for the Financial Year 2018-19 does not contain any qualification, reservation and adverse remark. Further in terms of section 143 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 as amended by notification/circulars issued by the Ministry of Corporate Affairs from time to time, no fraud has been reported by the Auditor of the Company where they have reason to believe that an offence involving fraud is being or has been committed against the Company by officers or employees of the Company.

## **COST AUDITORS**

The Audit Committee in its meeting held on 27th May, 2019 has recommended the reappointment of M/s. Mitra Bose & Associates, the Cost Auditor to conduct the cost audit of the company for the financial year 2019-20 in terms of section 148(3) of the Companies Act, 2013. Accordingly the Board appointed the said firm of Cost Accountants to carry out the cost audit for the year 2019-20 on the remuneration as recommended by the Board to be fixed by members in the ensuing Annual General Meeting of the Company. The Auditors' Report are self-explanatory and therefore do not call for any further explanations/comments.

## **INTERNAL AUDIT**

The Company has engaged M/s. Chaturvedi & Co., Chartered Accountants as its Internal Auditor and their scope of work and the plan for audit has been approved by the Audit Committee. The report submitted by them to the Audit Committee is regularly reviewed and their findings are discussed with the senior management and suitable corrective action taken on an ongoing basis to improve efficiency in operations.

## **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company has appointed M/s. MR & Associates, Practising Company Secretaries to undertake the Secretarial Audit of the company for the financial year 2018-19. The report of the Secretarial Audit is annexed herewith as **Annexure - III**.

## **COMPLIANCE OF SECRETARIAL STANDARDS**

The Company complies with all applicable Secretarial Standards.

## OTHER DISCLOSURES

### CORPORATE GOVERNANCE REPORT

The Corporate Governance Report and a certificate from the Statutory Auditors M/s. Khandelwal Ray & Co., Chartered Accountants regarding compliance of the conditions of corporate governance as stipulated in Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) 2015 is given in **Annexure I**, forming part of this report.

### CORPORATE SOCIAL RESPONSIBILITY (CSR)

Sec. 135 of the Companies Act, 2013 stipulates expenditure of 2% of the average net profit of preceding 3 financial years on CSR activities. The Act requires the Board to constitute a Corporate Social Responsibility Committee of the Board which has already been constituted. The company has formulated CSR Policy for promotion of education, healthcare and other activities which is uploaded on website of the company. The net profit of the Company during the preceding 3 financial years is below the stipulated limit of Rs. 5 crores and hence the relevant provision of the Act is not applicable on the Company.

### DISCLOSURE OF PARTICULARS WITH REGARD TO CONSERVATION OF ENERGY ETC.

Necessary information pursuant to sub-section (3) of section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is presented in **Annexure -II** to this Report.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis Report have been made a part of the Annual Report and is annexed to this report.

### DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has an Internal Control System based on values of integrity and operational excellence. Pursuant to the provisions of section 134(5)(e) of the Act, Your Company has in consultation with a reputed consultancy firm strengthened the existing financial controls of the Company. Such internal financial controls were found to be adequate for a size of the company.

### MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION

Pursuant to Section 134 of the Companies Act, 2013 there has been no material changes and commitments affecting the financial position of the Company.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loan, Guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 is given in the Financial Statement forming part of the Annual Report. The Company has repaid total debts of secured creditors except New India Assurance Company Ltd. and Oriental Insurance Company Ltd. for which Company is hopeful that one time settlement with these insurance companies will be completed shortly. The Company has availed working capital and other fund based/non fund based facilities from Kotak Mahindra Bank for its working capital requirement and ongoing expansion cum modernization plan.

### **ENVIRONMENT, SAFETY AND DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company is conscious of clean environment and safe operations. It ensures safety of all concerned, compliance with environmental regulations and preservation of natural resources. As required under section 4 of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013, the Company has an internal policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints. During the year under review, no complaints were reported to the Board.

### **INSURANCE**

Adequate insurance cover has been taken for properties of the Company including buildings, plant and machineries and stocks against fire, earthquake and other risks as considered necessary. The Company has also taken Directors & Officers Liability Insurance to protect and safeguard the directors and officers of the Company from the risk of getting sued or being held legally responsible for any sort of malpractices, negligence or injury.

### **EXTRACT OF ANNUAL RETURN**

The details for the financial year ended 31st March, 2019 forming part of the extract of the annual return is enclosed as **Annexure - IV**.

### **SHARE CAPITAL**

The issued and subscribed capital of the company as on 31st March, 2019 is Rs. 855.10 lacs comprising of 4,27,55,123 equity shares of Rs. 2/- each and there is no change in share capital since last year.

### **NUMBER OF BOARD MEETINGS**

The Board of Directors met four times during the year ended 31st March, 2019 ( 23rd May, 2018, 13th August, 2018, 14th November, 2018 and 14th February, 2019). The details of the Board meetings and the attendance of Directors are provided in the Corporate Governance Report.

### **COMPOSITION OF COMMITTEE OF DIRECTORS**

The Board has constituted the following Committees of Directors: (a) Audit Committee, (b) Nomination & Remuneration Committee. (c) Stakeholder Relationship Committee. The detailed composition of above Committees is given in Corporate Governance Report.

### **RELATED PARTY TRANSACTIONS**

All the related party transactions are entered on arm's length basis and are in compliance with the Companies Act, 2013 and the Listing Regulations. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc, which may have potential conflict with the interest of the Company at large. All related party transactions are presented to the Audit Committee and the Board for its approval. The related party transactions policy as approved by the Board is uploaded on Company's website: [www.shalimarwires.com](http://www.shalimarwires.com) and weblink is [http://www.shalimarwires.com/uploaded/54dee8640b2a6\\_POLICY%20ON%20RELATED%20PARTY%20TRANSACTIONS.pdf](http://www.shalimarwires.com/uploaded/54dee8640b2a6_POLICY%20ON%20RELATED%20PARTY%20TRANSACTIONS.pdf). Disclosure as required under Accounting Standard - 18 and in terms of point A(2) and Schedule V of the SEBI Listing Regulations, 2015 have been made in note no. 39 to the financial statements for the year ended 31st March, 2019.

### **FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

In terms of Regulation 25(7) of the SEBI Listing Regulations, 2015, your Company is required to conduct Familiarisation Programme for Independent Directors (IDs) to familiarise them about our Company including nature of industry in which your Company, roles, rights and responsibilities of IDs and any other relevant information. Further, pursuant



to Regulation 46 of the SEBI Listing Regulations, 2015, your Company is required to disseminate on its website, details of familiarisation programme imparted to Independent Directors during the year. During the year under review, four familiarisation programmes were conducted during the Board meetings of the Company. Further, the Board has open channels of communication with the executives which allows free flow of communication among Directors in terms of raising query, seeking clarifications and other related information.

#### **ANNUAL EVALUATION OF BOARD AND IT'S COMMITTEES PERFORMANCE**

During the financial year, the Board evaluated its own performance as well as that of its Committees and individual Directors. The exercise was carried out covering various aspects of the Boards functioning such as composition of the Board & committees, qualification, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of Non-Independent Directors. The performance of Independent Directors has been evaluated based on the guidelines as provided under Schedule IV of the Act. The evaluation of the Independent Directors was carried out by the entire Board except by the Director being evaluated. The directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

#### **PARTICULARS OF EMPLOYEES**

The prescribed particulars of employees and other details as required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as Annexure - V to this report. There was no employee in receipt of annual remuneration of Rs. 102,00,000/- or more or monthly remuneration of Rs. 8,50,000/- or more in current financial year and the details of top 10 employees' remuneration are available at the Registered Office of the Company during working hours for 21 days before the Annual General Meeting and shall be made available to any shareholder on request, as required under provision of section 197 of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

#### **ESTABLISHMENT OF VIGIL MECHANISM / WHISTLE BLOWER POLICY**

As required under section 177(9) & (10) of the Companies Act, 2013, the Company has established a vigil mechanism/whistle blower policy. The policy allows intimation by affected persons in good faith of concern or misconduct through a written communication. The Audit Committee oversees the vigil mechanism for disposal of the complaint. Direct access to the Chairman of the Audit Committee is also allowed in exceptional cases. The vigil mechanism/whistle blower policy is available on the Company's website at [www.shalimarwires.com](http://www.shalimarwires.com) under the weblink [http://www.shalimarwires.com/uploaded/54dee9cacd6ff\\_Whistle%20Blower%20Policy.pdf](http://www.shalimarwires.com/uploaded/54dee9cacd6ff_Whistle%20Blower%20Policy.pdf)

#### **RISK MANAGEMENT**

The Company has laid down the procedures to inform to the Board about the risk assessment and minimization procedures, which shall be responsible for framing, implementing and monitoring the risk management plan of the company.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

The Audited Accounts for the year under review are in conformity with the requirements of the Act and the Accounting Standards. The financial statements reflect fairly the form and substance of transactions carried out during the year under review and reasonably presents your Company's financial condition and results of operations.

In terms of provisions of Section 134(5) of the Companies Act, 2013, your Board of Directors to the best of their knowledge and ability confirm that:

- i) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any, save and except as mentioned in the Auditors' Report.
- ii) 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 loss of the Company for that period;
- iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The Directors have prepared the annual accounts on a going concern basis;
- v) The Directors have laid down adequate internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- vi) There is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### **DISCLOSURES**

Following disclosures are made under the Companies (Accounts) Rules, 2014:

- (i) The financial summary or highlights are discussed at the beginning of this report;
- (ii) There is no change in the nature of business;
- (iii) There is no company which has become or ceased to be the Company's subsidiary, joint venture or associate company during the year;
- (iv) There were no significant or material order was passed by the regulators or courts or tribunals which impact the going concern status and its future operations;
- (v) There have been no material changes and commitments, affecting the financial position of the Company which occurred between the end of the financial year to which the financial statements relate and the date of this report.

#### **INDUSTRIAL RELATIONS**

The Company continued to have cordial relations with the employees at its plants located at Uttarpara and Paper Machine Wire unit at Nasik, Registered Office and Branch Offices and the Board records its appreciation for the useful contribution made by them.

#### **ACKNOWLEDGEMENT**

Your Directors place on record their deep appreciation for the support and cooperation extended by the lenders i.e. Financial Institutions and Banks, customers, suppliers, employees, investors and Government Authorities during the year.

Kolkata  
12th August, 2019

By Order of the Board  
**Shalimar Wires Industries Limited**

Registered Office:  
25, Ganesh Chandra Avenue  
Kolkata – 700 013

**Sunil Khaitan**  
*Chairman & Managing Director*  
DIN-00385961

# Management Discussion and Analysis

## INDUSTRY STRUCTURE AND DEVELOPMENTS

### Paper Machine Clothings (PMC)

India embraces 15th rank among paper manufacturing nations in the world. The present demand is estimated at 13.1 ml tons which is projected to boost to 23.5 ml tons by 2024-25. India is the greatest growing market for paper in the world with a growth rate of about 6% yearly. Though India's per-capita paper utilization is quite low compared to global peers, things are looking up and requirement is set to rise for present 13 MT to an estimated 20 MT by 2020 indicating great potentiality for growth at home. Besides, the real growth in Paper making activity is taking place in Asian region due to availability of Raw Material & Cheaper Workforce while the other part of the world has already come to a saturating stage. Therefore, being stationed in the developing region and with sufficient knowledge about paper making condition of Asian sub-continent, we see a great future in export potentiality for PMC products. We are also in the process of developing new PMC products to fetch more business from export market.

### EDM Wires

Use of EDM machines in Tool Room Industry is gaining popularity all over the world. The situation has become challenging to the EDM wire makers with the invention of developed EDM machines and it has increased demand of specialty EDM wires happily, which are the major product of Uttarpara Plant. Similar situation prevails all over the world and with our reputation in export market with our patented products especially to the developed countries, we see a bright future for this product. New products DYNA "XT" and "SAFE CUT" have been specially developed to fetch more business from the export market as well as home market.

## OPPORTUNITIES AND THREATS

### Paper Machine Clothings (PMC)

After a bad spell, the paper industry both at home and abroad has started doing well and as a result the PMC industries are also looking forward for brighter days. At this stage in the home market when our Company is all set for a better business, a great threat is foreseen from Overseas PMC suppliers of neighboring developing country who have started dumping their products in Indian Paper Mills at a price lower than Indian suppliers, which may drastically reduce the NSR of our products as well as the off-take. Further, PMC suppliers from developed countries have started supplying their latest patented design to large paper mills in India. This becomes biggest threat to the Company. Unless we upgrade our Plant & Machinery and continually develop our product it will be extremely difficult to sustain our market share and further enhance it that depends lot on availability of softer fund for your Company. Your Company is also expected to create new business horizon in Metal Weaving segment creating new domestic & export market.

### EDM WIRES

Threat from imported material in Indian market is seriously felt although the speciality products of Shalimar are ruling the home market. In the export front, the market in the developed countries is very large and if quality of the product is maintained consistently the product has a very bright future. We have already obtained Industrial Patent for one of our specialty products while some varieties are waiting for approval. And with increase of price of NF metal, competition has become stiffer. But, we are confident with constant improvement in process, Shalimar would be able to take up the challenge.

## OUTLOOK

The outlook of Company appears bright. The Company anticipates modest growth in its operations in coming years and have taken steps to improve further in following areas :-

- Maintain high Quality Standards consistently.
- Create wide based product range to cater to export market.
- Modernize after-sales service.

- Improve efficiency at all stages from procurement to disposal.
- Upgrading the Old machinery.
- Develop new design of fabric.
- Implementation of ISO : **9001 : 2015, QMS**  
**14001 : 2015, EMS**  
**18001 : 2007, OHSAS**

### **RISKS AND CONCERNS**

Volatile technological environment and tough competition from domestic as well as foreign markets are area of concern for which Company's focus is to make cost of production more competitive and reduce interest cost by financial restructuring with a view to withstand during downturn. Main area of concern are as under :

- Growth of Indian Paper Industry is yet to be satisfactory.
- Improved technology is expensive.
- Very high interest cost.
- Non availability of fund for expansion & Working Capital, delaying the Implementation of project on time.

### **INTERNAL CONTROL SYSTEM**

The Company has adopted internal control system commensurate with its size. The Company has appointed external firm of Chartered Accountants as Internal Auditors and Company ensures its strict implementation so that assets and business interest of Company are adequately safeguarded. However, SAP implementation is also in progress.

### **HUMAN RESOURCES**

The Company's human resources strategy revolves around development of the individual. The Company undertook various Human Resources Initiative, namely –

- A Performance Management System.
- Training Programmes in the area of behavioural, management and technical skill up-gradation.
- Development of leadership capability
- Maintaining high level of employment relationship

The total Number of Employees employed in the Company as on 31st March, 2019 was 510.

### **INFORMATION TECHNOLOGY**

The Company is making full use of Information Technology, all the branches and the regional offices of the Company are connected with the units by means of internet and ERP is implemented in most of the departments. The Company's *website* namely [www.shalimarwires.com](http://www.shalimarwires.com) provide all the details about the Company, its management and its products. SAP has also been implemented in its Uttarpara Factory.

### **HEALTH, SAFETY, SECURITY AND ENVIRONMENT**

Health, safety, security and environment (HSSE) is a key priority for your Company. Simply stated, our goals are: no accidents, no harm to people and no damage to environment. The health, safety and security of everyone who works for your Company, is critical to the success of business.

### **CAUTIONARY STATEMENT**

Statement in this Report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations may constitute forward looking statement within the meaning of applicable laws and regulations. Actual results might differ materially from those either.

# Corporate Governance Report

## ANNEXURE - I

### 1. Brief Statement on Company's Philosophy on Code of Governance

- The Company's philosophy of Corporate Governance is to ensure transparency in all dealings and maintain highest standards of professionalism, integrity, accountability, social responsibility, fairness and business ethics. We consider ourselves as Trustees of our shareholders and relentlessly attempt to maximize long term shareholder value.
- The Company confirm the practice of good Corporate Governance codes by the Company in true spirit and are pleased to present below the Report on Corporate Governance.
- Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') the Company has executed the fresh Listing Agreements with the Stock Exchanges. The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule-V and Clause (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance.

### 2. Board of Directors

During the year, the Company had 6 (six) Directors. Out of these six Directors, one is Promoter and Executive Director (Chairman and Managing Director), one is Nominee Director and four Non-Executive Independent Directors. Ms. Surabhi Sanganeria is Non-Executive Independent Woman Director. The composition of the Board is in conformity with SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

During the financial year ended 31st March, 2019, 4 (four) Board Meetings were held on 23.05.2018, 13.08.2018, 14.11.2018 and 14.02.2019.

The composition of Directors and their attendance at the Board Meetings held during the year and at the last Annual General Meeting, the number of Directorships in other public limited companies and chairmanships / memberships in committees held by them as on 31st March, 2019 are given below:

Name of Director	Category	No. of Board Meetings Attended during the year	Whether last AGM attended	No. of other Directorship *1	No. of other Committee membership/ Chairmanship *2
Mr.Sunil Khaitan, (DIN-00385961) Chairman & Managing Director	Promoter and Executive Director	4	Yes	NIL	NIL
Mr. Manash Chakraborty* (DIN-05293875)	Nominee of ARCIL	1	No	NIL	NIL
Mr.Dipak Dasgupta*** (DIN-01099414)	Non-executive Independent Director	4	No	NIL	NIL
Ms. Surabhi Sanganeria (DIN No. 06987772)	Non-executive Independent Director	1	No	2	2
Mr. Dip Mitra * (DIN – 08220267)	Nominee of ARCIL	3	Yes	NIL	NIL
Mr. Parmanand Tiwari ** (DIN – 00731341)	Non-executive Independent Director	3	No	NIL	NIL
Dr. Rajiva ** (DIN – 05193258)	Non-executive Independent Director	3	No	NIL	NIL

\* Mr. Dip Mitra was appointed as Nominee Director representing ARCIL w.e.f. 02.08.2018 in place of Mr. Manash Chakraborty

\*\* Mr. Parmanand Tiwari and Dr. Rajiva were appointed as Independent Directors w.e.f 13.08.2018

\*\*\* Mr. Dipak Dasgupta has resigned from the Board as an Independent Director on 06.08.2019.

\*1 Excludes Directorship held in Private Limited Companies/ Section 8 Companies/ Foreign Companies as on 31st March, 2019

\*2 Only covers Membership/ Chairmanship of Audit Committee and Stakeholders Relationship Committee of other Public Limited Companies.

None of the Directors of the Company's Board is a member of more than 10 Committees or Chairman of more than 5 Committees across all companies in which they are director.

**Disclosure of relationship between Directors inter-se:**

None of the Directors of the Company is related inter-se to any other Directors on the Board, within the meaning of Section 2(77) of the Companies Act, 2013.

**Disclosure of relationship between Directors inter-se:**

None of the Directors of the Company is related inter-se to any other Directors on the Board, within the meaning of Section 2(77) of the Companies Act, 2013.

**Number of shares and convertible instruments held by Non-Executive Directors:**

As on 31st March, 2019, none of the Non-Executive Directors are holding any shares or convertible instruments in the Company.

**Directors' Profile**

A brief resume of Mr. Sunil Khaitan, Chairman and Managing Director, proposed to be re-appointed and nature of his expertise in specific functional areas and number of companies in which he hold Directorships, Memberships/ Chairmanships of Board Committees, and shareholding in the Company are provided in the notice

**Independent Director (IDs)**

All the Independent Directors of the Company furnish declaration annually as laid down under Section 149(6) of the Companies Act, 2013 and SEBI Listing Regulations, 2015. All requisite declarations were placed before the Board.

**Meeting of Independent Directors (IDs)**

The meeting of the Independent Directors was held on 14th February 2019.

**Familiarisation Programme for Independent Directors**

In terms of Regulation 25(7) of the SEBI Listing Regulations, 2015, the Company is required to conduct Familiarization Programme for Independent Directors (IDs) to familiarise them about their role, rights, responsibility in the Company, nature of industry in which the Company operates, business model of the Company etc. through various programme and any other relevant information. The details of such familiarization programme has also been uploaded on the Company's website [www.shalimarwires.com](http://www.shalimarwires.com). under the web link [http://www.shalimarwires.com/others/5d4416f68e48e\\_FAMILIARISATION%20PROGRAMME%20-%202018-19.pdf](http://www.shalimarwires.com/others/5d4416f68e48e_FAMILIARISATION%20PROGRAMME%20-%202018-19.pdf)

**Other provisions**

The company has proper systems to enable the Board to periodically review compliance reports prepared by the Company in respect of laws applicable to the Company, as well as steps taken by the Company to rectify any instances of non-compliance.

**Code of Conduct for Directors & Senior Management**

The Board had framed code of conduct for all the Board members and Senior Management Personnel of the Company focusing transparency, accountability & ethical expression in all acts and deeds. The Code of Conduct has been displayed on the website [www.shalimarwires.com](http://www.shalimarwires.com). under the web link [http://www.shalimarwires.com/uploaded/518769dc32d02\\_CodeOfConductForBoardOfDirectors.pdf](http://www.shalimarwires.com/uploaded/518769dc32d02_CodeOfConductForBoardOfDirectors.pdf) and [http://www.shalimarwires.com/uploaded/518773de4d121\\_CodeOfConductForSeniorManagement.pdf](http://www.shalimarwires.com/uploaded/518773de4d121_CodeOfConductForSeniorManagement.pdf) of the Company.

A certificate of affirmation in this regard is attached and forms a part of the Annual Report of the Company.

### 3. COMMITTEES OF THE BOARD

The Board has currently the following Committees:

- o Audit Committee
- o Nomination and Remuneration Committee
- o Stakeholders Relationship Committee

#### A. Audit Committee

The role, terms of reference & composition of the Committee are in conformity with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 and Schedule II Part C of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee acts as a link between the Statutory & Internal Auditors and the Board of Directors.

#### Brief description of Terms of Reference

- the recommendation for appointment, remuneration and terms of appointment of auditors of the company ;
- review and monitor the auditor's independence and performance, and effectiveness of audit process;
- examination of the financial statement and the auditors' report thereon;
- approval or any subsequent modification of transactions of the company with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- monitoring the end use of funds raised through public offers and related matters.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

#### Composition of Audit Committee

The present composition of the Audit Committee comprises of five members, out of which four are Independent Directors and one is Nominee Director. During the financial year ended 31st March, 2019, the Audit Committee met four times on 23.05.2018, 11.08.2018, 14.11.2018 and 14.02.2019.

The composition of Audit Committee and meetings attended by the Members are as follows:

Sl. No.	Name	Designation	Category	No. of meetings attended
1	Mr. Parmanand Tiwari*	Chairman	Independent Director	2
2.	Mr. Dip Mitra**	Member	Nominee Director	2
3	Mr. Manash Chakraborty**	Member	Nominee Director	1
4.	Mr. Dipak Dasgupta***	Member	Independent Director	4
5.	Dr. Rajiva*	Member	Independent Director	2
6.	Ms. Surabhi Sanganeria	Member	Independent Director	2

\*Mr. Parmanand Tiwari was appointed as Member w.e.f. 13.08.2018 and subsequently he was appointed as Chairman of Audit Committee in place of Mr. Dipak Dasgupta w.e.f. 14.11.2018. Dr. Rajiva was also appointed as a Member of Audit Committee w.e.f. 13.08.2018.

\*\* Nomination of Mr. Manash Chakraborty was withdrawn by ARCIL and in his place Mr. Dip Mitra was appointed as Nominee Director by ARCIL w.e.f. 02.08.2018.

\*\*\* Mr. Dipak Dasgupta ceases to be a member of the Committee upon resignation from the Board of Directors of the Company w.e.f. 06.08.2019.

The Statutory Auditors and Internal Auditors are invited to attend the meetings as and when necessary. The Cost Auditor as appointed by the Company under section 148 of the Companies Act, 2013 attend the Audit Committee Meetings, as and when necessary.

The Company Secretary acts as the Secretary of the Committee.

The Chairman of the Audit Committee Mr. Parmanand Tiwari could not attend the last Annual General Meeting held on 29th September, 2018 due to his preoccupation

## B) Nomination and Remuneration Committee

In accordance with the provisions Section 178 of the Companies Act, 2013 read with Regulation 19 and Para A of Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference of nomination and remuneration committee includes the following:

- Identify persons who are qualified to become directors;
- Identify persons who may be appointed as key managerial personnel and in senior management positions;
- Recommended to the Board for re-appointment of directors based on performance evaluation of the retiring director;
- Annual evaluation of every director's performance;
- Formulating a remuneration policy of the Company;
- To propose remuneration packages for the Directors and Key Managerial Personnel including senior management;
- Recommending re-constitution of the Board or senior management as may be required from time to time under the prevailing laws and for operational effectiveness of the Company.

### Composition of the Committee

The Nomination and Remuneration Committee comprises of five directors, consisting of four independent directors and one nominee director. The Composition of Nomination and Remuneration Committee is pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

During the financial year ended 31st March, 2019, 3(three) meetings of the Nomination and Remuneration Committee were held on 23rd May, 2018, 11th August, 2018 and 14th February, 2019. The composition of the Committee is as under:

Sl. No.	Name	Designation	Category	No. of meetings attended
1	Mr. Parmanand Tiwari*	Chairman	Independent Director	2
2.	Mr. Dip Mitra**	Member	Nominee Director	2
3	Mr. Manash Chakraborty**	Member	Nominee Director	1
4.	Mr. Dipak Dasgupta***	Member	Independent Director	4
5.	Dr. Rajiva*	Member	Independent Director	2
6.	Ms. Surabhi Sanganeria	Member	Independent Director	2

\*Mr. Parmanand Tiwari was appointed as Member w.e.f. 13.08.2018 and subsequently he was appointed as Chairman of Nomination and Remuneration Committee in place of Mr. Dipak Dasgupta w.e.f. 14.11.2018. Dr. Rajiva was also appointed as a Member of Nomination and Remuneration Committee w.e.f. 13.08.2018.

\*\* Nomination of Mr. Manash Chakraborty was withdrawn by ARCIL and in his place Mr. Dip Mitra was appointed as Nominee Director by ARCIL w.e.f. 02.08.2018.

\*\*\* Mr. Dipak Dasgupta ceases to be a member of the Committee upon resignation from the Board of Directors of the Company w.e.f. 06.08.2019.



## Remuneration Policy

- **Remuneration to Executive and Non-Executive Directors**

Mr. Sunil Khaitan is only whole time Director who is the Chairman & Managing Director of the company and is paid remuneration in terms of the agreement executed between him and the company. Mr. Sunil Khaitan was appointed as Chairman and Managing Director for a period of 3(three) years w.e.f. 1st April, 2017 at a total remuneration of Rs. 42 lacs per annum. His remuneration was revised by the Board of Directors to Rs. 84 lacs per annum w.e.f. 1st December, 2018 subject to approval of members in the ensuing Annual General Meeting of the Company. The remuneration paid to Mr. Sunil Khaitan is within the limit as prescribed under Part-II of Section-IIA of Schedule-V of the Companies Act, 2013. The Non-Executive Directors are paid sitting fees for attending the Board/Committee meetings besides reimbursement of actual traveling and out of pocket expenses. Presently, the Company does not have any scheme for grant of stock options either to the directors or employees of the company.

- **Remuneration of key managerial personnel (KMP) and senior managerial personnel (SMP)**

Remuneration to KMP and SMP is fixed at a level aimed at attracting and retaining executives with professional and personal competence, showing good performance towards achieving company goals. The remuneration includes salary, allowances, medical insurance premium, perquisites and other benefits as per the policy of the company.

### c) Remuneration to Directors

- 1) The Non-Executive Directors had no pecuniary relationship or transactions with the Company during the financial year 2018-2019.
- 2) The details of remuneration paid/payable to the Directors during the year ended on 31.03.2019 are given below:

Name	Salary (Rs.)	Perquisites & Allowances (Rs.)	Sitting fee (Rs.)	Total (Rs.)	Service Contract if any
Mr. Sunil Khaitan. (Chairman & Managing Director)	29,60,000	27,78,000	---	57,38,000	Yes
Mr. Manash Chakraborty (Nominee Director)	—	—	23,000	23,000	Nominee
Mr. Dip Mitra (Nominee Director)	—	—	49,000	49,000	
Mr. Dipak Dasgupta	—	—	92,000	92,000	No
Mr. Parmanand Tiwari	—	—	54,000	54,000	No
Dr. Rajiva	—	—	54,000	54,000	No
Ms. Surabhi Sangneria	—	—	38,000	38,000	No
<b>Total</b>	<b>29,60,000</b>	<b>27,78,000</b>	<b>3,10,000</b>	<b>60,48,000</b>	

# Perquisites excludes contribution to Provident Fund amounting to Rs. 355,200/-

- i) The above details of remuneration or fees paid are all elements of remuneration package of individual Directors summarized under major groups.
- ii) Apart from the above mentioned details of remuneration or fees paid there are no other fixed component and performance linked incentives based on the performance criteria.
- iii) There are no stock options offered to any Directors /employees of the Company.

**Performance Evaluation :**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) SEBI Listing Regulation, 2015, the Board of Directors of the Company has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Board Committees. The performance evaluation of the Chairman and the Managing Director and the Non- Independent Director was carried out by the Independent Directors.

**C) Stakeholders Relationship Committee****a) Composition of the Committee**

The Stakeholders Relationship Committee is primarily responsible to review all matters connected with the Company's transfer of securities and redressal of shareholders' / investors' / security holders' complaints. The Committee also monitors the implementation and compliance with the Company's Code of Conduct for prohibition of Insider Trading.

The Stakeholders Relationship Committee comprises of five directors, consisting of four independent directors and one nominee director. During the financial year ended 31st March, 2019, four meetings of the said Committee were held on 23.05.2018, 11.08.2018, 14.11.2018 and 14.02.2019 and the necessary quorum was present in all the meetings.

The details of meetings attended by the directors are as follows:

Sl. No.	Name	Designation	Category	No. of meetings attended
1	Mr. Parmanand Tiwari*	Chairman	Independent Director	2
2.	Mr. Dip Mitra**	Member	Nominee Director	2
3	Mr. Manash Chakraborty**	Member	Nominee Director	1
4.	Mr. Dipak Dasgupta***	Member	Independent Director	4
5.	Dr. Rajiva*	Member	Independent Director	2
6.	Ms. Surabhi Sanganeria	Member	Independent Director	2

\*Mr. Parmanand Tiwari was appointed as Member w.e.f. 13.08.2018 and subsequently he was appointed as Chairman of Stakeholders Relationship Committee in place of Mr. Dipak Dasgupta w.e.f. 14.11.2018. Dr. Rajiva was also appointed as a Member of Stakeholders' Relationship Committee w.e.f. 13.08.2018.

\*\* Nomination of Mr. Manash Chakraborty was withdrawn by ARCIL and in his place Mr. Dip Mitra was appointed as Nominee Director by ARCIL w.e.f. 02.08.2018.

\*\*\* Mr. Dipak Dasgupta ceases to be a member of the Committee upon resignation from the Board of Directors of the Company w.e.f. 06.08.2019.

**b) Terms of Reference**

The terms of reference of Stakeholders Relationship Committee are as follows :

- i) Ensure redressal of Shareholders and Investors complaints relating to transfer of shares, Non-receipt of balance sheet etc.
- ii) Redressal of Investors complaints in respect of non-receipt of interest/redemption proceeds against the non-convertible debenture.
- iii) To oversee the performance of Maheshwari Datamatics Pvt. Ltd., the Registrar and Share Transfer Agent.
- iv) To delegate the powers of approving transfer of shares/debentures to the Company's Registrar under the supervision and control of the Company Secretary, subject to placing of the summary statement of transfer/ transmission etc. of shares/debentures of the company at the committee meeting.

- v) To implement and monitor the various requirement as set out in the Code of Conduct for provision of insider trading pursuant to the provisions of the SEBI (Prohibition of Insider Trading Regulations, 1992.)

**c) Compliance Officer:**

Mr. S.K. Kejriwal, Company Secretary has been appointed as the compliance officer for complying with the requirement of SEBI Regulations, 2015.

**d) Status of Investors' complaints:**

The Company confirms that there were no share transfers lying pending as on 31.03.2019 and all requests for dematerialisation and re-materialisation of shares as on that date were confirmed/rejected into the NSDL/CDSL system. Details of shareholders' complaints received and resolved during the period April, 2018 to March, 2019 :-

- |  |       |
|--|-------|
| a) Number of Shareholders' complaints received during the year           | : 2   |
| b) Number of Shareholders' complaints resolved during the year           | : 2   |
| c) Number of complaints not resolved to the satisfaction of shareholders | : Nil |
| d) Number of complaints pending  | : Nil |

**OTHER COMMITTEES**

**A) Corporate Social Responsibility Committee**

Corporate Social Responsibility (CSR) Committee of the Board was constituted on 19th May, 2014 in order to formulate and recommend the Board a CSR Policy indicating the activities to be undertaken by the Company and to discharge such other responsibilities as required under section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Company formulated CSR Policy, which is uploaded on the Company's Web site: <http://www.shalimarwires.com> under the weblink [http://www.shalimarwires.com/uploaded/54dee7e71cd14\\_CSR%20Policy.pdf](http://www.shalimarwires.com/uploaded/54dee7e71cd14_CSR%20Policy.pdf).

**Composition**

Sl. No.	Name	Designation	Category
1	Mr. Sunil Khaitan	Chairman	Chairman and Managing Director
2	Mr. Dip Mitra	Member	Nominee Director
3.	Mr. Parmanand Tiwari	Member	Independent Director
4.	Dr. Rajiva	Member	Independent Director
5.	Mr. Dipak Dasgupta	Member	Independent Director
6.	Ms. Surabhi Sanganeria	Member	Independent Director

**Terms of Reference of the Committee, *inter alia*, includes the following:**

- To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made there under.
- To recommend the amount of expenditure to be incurred on the CSR activities
- To monitor the implementation of the CSR Policy of the Company from time to time.

**B) Risk Management Committee**

The Company has laid down procedure to inform board members about the risk assessment and minimization procedures. The Committee's prime responsibility is to implement and monitor the risk management plan and policy of the Company.

**Composition of the Committee**

Sl. No	Name	Designation	Category
1.	Mr. Sunil Khaitan	Chairman	Chairman and Managing Director
2.	Mr. Dipak Dasgupta	Member	Independent Director
3.	Mr. S.J. Sengupta	Member	President & CFO
4.	Mr. S.K. Kejriwal	Member	Company Secretary

**Role and Responsibilities of the Committee includes the following:**

- Framing of Risk Management Plan and Policy
- Overseeing implementation of Risk Management Plan and Policy
- Monitoring of Risk Management Plan and Policy
- Validating the process of risk management
- Validating the procedure for Risk Minimization
- Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes
- Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed
- Performing such other functions as may be necessary or appropriate for the performance of its oversight function

**4. GENERAL BODY MEETINGS**

The last three Annual General Meeting were held as under :

Financial Year	Date and Time	Venue	No. of Special Resolution
2017-2018	29th September, 2018 10.00 A.M.	Bhartiya Bhasha Parishad	<ul style="list-style-type: none"> <li>• Continuation of Mr. Dipak Dasgupta as Non-Executive Independent Director of the Company beyond 75 years of age in terms of section 149 &amp; 152 of the Companies Act, 2013.</li> <li>• Keeping registers, books of accounts and other shareholders' record at a place other than registered office of the Company in terms of section 94 of the Companies Act, 2013.</li> </ul>
2016-2017	22nd September, 2017 10.00 A.M.	Bhartiya Bhasha Parishad	<ul style="list-style-type: none"> <li>• Reappointment of Managing Director u/s 196, 197, 203 of the Companies Act, 2013.</li> </ul>
2015-2016	28th September, 2016 10.00 A.M.	Science City Mini Auditorium Kolkata	None

During the year 2017-2018, no special resolution was passed by the Members of the Company through postal ballot.

No business is presently proposed to be transacted through postal ballot. In case any Special Resolution needs to be passed through Postal Ballot during the current financial year, the procedure for conducting the postal ballot as laid down under Section 110 of the Companies Act, 2013 and the Rules made there under shall be complied with.

**5. DISCLOSURES****i) Related party transactions :**

Related Party transactions have been disclosed under Note No. 39 to the accounts for year under review and there is no conflict with the interest of the Company.

As required under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 the Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the Company's website [www.shalimarwires.com](http://www.shalimarwires.com) under the weblink [http://www.shalimarwires.com/uploaded/54dee8640b2a6\\_POLICY %20ON% 20RELATED%20PARTY%20 TRANSACTIONS.pdf](http://www.shalimarwires.com/uploaded/54dee8640b2a6_POLICY%20ON%20RELATED%20PARTY%20TRANSACTIONS.pdf)

**ii) Accounting Treatment :**

In the preparation of the financial statement, the Company has followed the applicable Indian Accounting Standards (IND AS) issued by the Institute of Chartered Accountants of India to the extent applicable. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

**iii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by the stock Exchanges, SEBI or any Statutory Authority on any matter related to Capital Markets during the last three years:**

The Company has complied with all the mandatory requirements of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 wherever applicable. No penalties or stricture have been imposed by SEBI, Stock Exchanges or any Statutory Authorities on matters related to Capital Markets during the last three years except the penalty paid by the company to Bombay Stock Exchange for late filing of application by 18 days for listing of equity shares allotted to ARCIL.

**iv) Vigil Mechanism/ Whistle Blower Policy:**

Pursuant to Section 177(9) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 the Company has framed a Vigil Mechanism /Whistle Blower Policy for Directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of code of conduct or ethics policy. The mechanism also provides for adequate safeguards against victimization of director(s) / employee(s) who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in the exceptional cases and the same has also been placed in the website of the Company. We affirm that during the financial year 2018-2019, none of the employees has been denied access to the Audit Committee.

**v) Details of compliance of mandatory and non- mandatory requirements:**

The Company has complied with all the applicable mandatory requirements. Adoption of non- mandatory requirements of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is being reviewed by the Board from time to time.

**vi) Material' Subsidiaries:**

The Company does not have any subsidiary as defined under the Companies Act, 2013.

**vii) Compliance of the requirement of Corporate Governance Report:**

During the financial year 2018-2019, the Company has complied with the requirements of Corporate Governance Report of sub paras (2) to (10) of the Point C of Schedule V of SEBI Listing Regulations.

**viii) Disclosure with respect to demat suspense account/unclaimed suspense account:**

The Company does not have any of its securities lying in demat/unclaimed suspense account arising out of public/ bonus/right issues as at 31st March, 2019. Hence, the particulars relating to aggregate number of shareholders and the outstanding securities in suspense account and other related matters are not applicable.

**6. PREVENTION OF INSIDER TRADING**

The Company has adopted Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre- clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the Designated employees while in possession of unpublished price sensitive information in relation to the Company and during the

period when the Trading Window is closed. The Company Secretary is responsible for implementation of the Code. The Policy is available on the Company's website at [www.shalimarwires.com](http://www.shalimarwires.com/uploaded/5556cec31035a_Code_of_practice.pdf) under the weblink [http://www.shalimarwires.com/uploaded/5556cec31035a\\_Code\\_of\\_practice.pdf](http://www.shalimarwires.com/uploaded/5556cec31035a_Code_of_practice.pdf)

#### 7. POLICY AGAINST SEXUAL HARRASSMENT

The Company is committed to foster a gender friendly work place, it seeks to enhance equal opportunities for men and women, prevent/stop/redress sexual harassment at the work place and institute good employment practices. The Policy is available on the Company's website at [www.shalimarwires.com](http://www.shalimarwires.com/uploaded/54dee8cf03d8d_Policy%20on%20Sexual%20Harassment.pdf) under the weblink [http://www.shalimarwires.com/uploaded/54dee8cf03d8d\\_Policy%20on%20Sexual%20Harassment.pdf](http://www.shalimarwires.com/uploaded/54dee8cf03d8d_Policy%20on%20Sexual%20Harassment.pdf)

#### 8. CEO & CFO CERTIFICATION

Mr. Sunil Khaitan, Chairman and Managing Director and Mr. S.J. Sengupta, President and CFO have provided annual certification on the financial statements to the Board as required under Part B of Section II of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

#### 9. COMPLIANCE CERTIFICATE BY STATUTORY AUDITOR OF THE COMPANY

The Company has obtained a certificate from the Statutory Auditor of the Company regarding compliance of conditions of Corporate Governance as stipulated in Schedule V of the Listing Regulations, which is annexed herewith and forms part of this Annual Report.

#### 10. MEANS OF COMMUNICATION

- (i) The quarterly unaudited financial results and the audited financial results as approved and taken on record by the Board of Directors of the company are published during the year under review in leading national newspapers viz. Financial Express (all edition) and a local language newspaper viz. and also sent immediately to all the Stock Exchanges with which the shares of the Company are listed. The annual reports are sent to every shareholder of the Company.
- (ii) The Company's financial results are displayed on the Company's website [www.shalimarwires.com](http://www.shalimarwires.com).
- (iii) The Company has a separate e-mail Id [secretarial@shalimarwires.com](mailto:secretarial@shalimarwires.com) for investors to intimate their grievances, if any.
- (iv) During the year 2018-19, the company has not made any presentations to institutional investors and analysts.

#### 11. GENERAL SHAREHOLDERS INFORMATION :

a) Annual General Meeting	
Date	21st September, 2019
Time	10.00 A.M.
Venue	Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, Kolkata – 700 017.
b) Financial Calender (tentative) for the year 2018 – 2019	1st Quarterly results On 12th August, 2019 2nd “ “ On or before 14th Nov, 2019 3rd “ “ On or before 14th Feb, 2020 4th “ “ On or before 15th May, 2020
c) Dividend Payment date	The Company did not recommend any dividend during the year 2018-19
d) Book Closure Date	16th September, 2019 to 21st September, 2019 (both days inclusive)

e) Listing of Equity shares on Stock Exchanges	<p>The Company's shares are listed on the Stock Exchanges at:-</p> <ul style="list-style-type: none"> <li>• Calcutta Stock Exchange (Stock Code 100294) 7, Lyons Range, Kolkata – 700 001</li> <li>• Bombay Stock exchange (Stock Code 532455) Floor 7, P J Towers, Dalal Street, Mumbai- 400 001.</li> </ul> <p>The listing fees for the period 2019-2020 have been paid to both the Stock Exchanges.</p> <p>Demat ISIN Number in NSDL and CDSL: INE655D01025 Stock Code: 532455</p>																																																																			
f) Market Price Data	<p>The market price data (Monthly High/Low) of the company's Equity Shares traded on BSE during the period April 2018 to March 2019 is given below. There was no trading in Calcutta stock exchange.</p> <p><b>BOMBAY STOCK EXCHANGE LTD.</b></p> <table border="1" data-bbox="505 714 1229 1118"> <thead> <tr> <th rowspan="2">Month</th> <th rowspan="2">High</th> <th rowspan="2">Low</th> <th colspan="2">BSE Sensex</th> </tr> <tr> <th>Low</th> <th>Low</th> </tr> </thead> <tbody> <tr> <td>April, 18</td> <td>22.80</td> <td>16.20</td> <td>35213.30</td> <td>32972.56</td> </tr> <tr> <td>May, 18</td> <td>30.55</td> <td>18.00</td> <td>35993.53</td> <td>34302.89</td> </tr> <tr> <td>June, 18</td> <td>35.30</td> <td>20.90</td> <td>35877.41</td> <td>34784.68</td> </tr> <tr> <td>July, 18</td> <td>24.40</td> <td>20.20</td> <td>37644.59</td> <td>35106.57</td> </tr> <tr> <td>Aug, 18</td> <td>23.00</td> <td>18.30</td> <td>38989.65</td> <td>37128.99</td> </tr> <tr> <td>Sept, 18</td> <td>21.50</td> <td>15.20</td> <td>38934.35</td> <td>35985.63</td> </tr> <tr> <td>Oct, 18</td> <td>19.85</td> <td>13.50</td> <td>36616.64</td> <td>33291.58</td> </tr> <tr> <td>Nov, 18</td> <td>21.00</td> <td>15.60</td> <td>36389.22</td> <td>34303.38</td> </tr> <tr> <td>Dec, 18</td> <td>19.90</td> <td>14.30</td> <td>36554.99</td> <td>34426.29</td> </tr> <tr> <td>Jan, 19</td> <td>19.00</td> <td>14.00</td> <td>36701.03</td> <td>35375.51</td> </tr> <tr> <td>Feb, 19</td> <td>17.50</td> <td>12.15</td> <td>37172.18</td> <td>35287.16</td> </tr> <tr> <td>Mar, 19</td> <td>17.90</td> <td>13.52</td> <td>38748.54</td> <td>35926.94</td> </tr> </tbody> </table>	Month	High	Low	BSE Sensex		Low	Low	April, 18	22.80	16.20	35213.30	32972.56	May, 18	30.55	18.00	35993.53	34302.89	June, 18	35.30	20.90	35877.41	34784.68	July, 18	24.40	20.20	37644.59	35106.57	Aug, 18	23.00	18.30	38989.65	37128.99	Sept, 18	21.50	15.20	38934.35	35985.63	Oct, 18	19.85	13.50	36616.64	33291.58	Nov, 18	21.00	15.60	36389.22	34303.38	Dec, 18	19.90	14.30	36554.99	34426.29	Jan, 19	19.00	14.00	36701.03	35375.51	Feb, 19	17.50	12.15	37172.18	35287.16	Mar, 19	17.90	13.52	38748.54	35926.94
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Nov, 18	21.00	15.60	36389.22	34303.38																																																																
Dec, 18	19.90	14.30	36554.99	34426.29																																																																
Jan, 19	19.00	14.00	36701.03	35375.51																																																																
Feb, 19	17.50	12.15	37172.18	35287.16																																																																
Mar, 19	17.90	13.52	38748.54	35926.94																																																																
g) Registrar and Share Transfer Agent	<p>Maheshwari Datamatics Pvt. Ltd. 23, R.N. Mukherjee Road Kolkata – 700 001.</p>																																																																			
h) Share Transfer System	<p>The Company's shares are in compulsory demat mode. The share received for transfer in physical mode are generally registered within a period of 15 days from the date of receipt, if the documents are clear in all respect. Shares under objection are returned within two weeks. Stakeholders Relationship Committee considers &amp; approves the transfer proposals.</p>																																																																			
i) Trading of Securities:	<p>The securities of the Company were not suspended from trading any time during the financial year 2018-2019</p>																																																																			
j) Distribution of shareholding & shareholding Pattern.	<p>As attached and forms a part of annual report</p>																																																																			
k) Dematerialisation of shares and liquidity	<p>The shares of the Company are compulsorily traded in dematerialized form under depository system of both the National Securities Depository Ltd.(NSDL) and the Central Depository Services (India) Ltd. (CDSL).</p> <p>Company's Electronic Connectivity Registrar is Maheshwari Datamatics Pvt.Ltd., 23, R.N. Mukherjee Road, Kolkata – 700 001.</p> <p>As on 31st March, 2019, 98.87% of the paid up share capital of the Company representing 42274337 Nos. of equity shares held in demat form with NSDL and CDSL.</p>																																																																			

l) Corporate Identity Number (CIN)	L74140WB1996PLC081521
m) Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity	The Company has not issued any Global Depository Receipts (GDRs), American Depository Receipts (ADRs), warrants or any convertible instruments, which is likely to have impact on the Company's equity during the financial year ended 31st March, 2019.
n) Commodity price risk or foreign exchange risk and hedging activities:	No such risks or activities to report during the financial year under review.
o) Factory location	The Company's factories are located at the following places :- 1. 77, Netaji Subhas Road, Uttarpara, Dist. Hooghly, W.B. 2. Paper Machine Wire Unit 73, Industrial Estate, Satpur, Nashik – 422 007
p) Address for correspondence	<p><b>With the Company:</b>  <b>Share Department</b>  25, Ganesh Chandra Avenue, 2nd Floor,  Kolkata – 700 013  Tel.Nos : (033) 2234-9308/09/10  Fax No. : (033) 2211-6880  E-mail : kejriwal@shalimarwires.com  Website : <a href="http://www.shalimarwires.com">http://www.shalimarwires.com</a></p> <p><b>With the Registrar:</b>  <b>Maheshwari Datamatics Pvt.Ltd.</b>  23 R.N. Mukherjee Road  Kolkata – 700 001  Tel.Nos: (033) 2243-5029/5809,  (033) 22482248  Fax : (033) 2248 4787  E-mail : mdpl@cal.vsnl.net.in  mdpldc@yahoo.com</p>

#### DECLARATION IN RESPECT OF COMPLIANCE WITH THE CODE OF CONDUCT

It is hereby declared that all Board Members, Key Managerial Personnel and Senior Management Personnel of the Company have affirmed compliance with Code of Conduct of the Company, for the financial year ended 31st March, 2019.

Place : Kolkata

Dated : 12th August, 2019

**Sunil Khaitan**

*Chairman & Managing Director*



## APPENDIX

## PATTERN OF SHAREHOLDING AS ON 31ST MARCH, 2019

Category	No. of shareholders	% of shareholders	No. of shares held	% of shareholding
Promoters/Directors & their relatives including associate companies.	18	0.13	27823982	65.08
Financial Institutions/Insurance Companies/Mutual Funds & Bank	23	0.16	774820	1.81
Non-resident Indians/Overseas corporate bodies.	38	0.27	29856	0.07
Other bodies corporate	120	0.85	12121974	4.69
Indian Public	13960	98.59	2004491	4.69
<b>Total</b>	<b>14159</b>	<b>100.00</b>	<b>42755123</b>	<b>100.00</b>

## DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2019

No. of Equity shares held	No. of shareholders	% of shareholders	No. of shares held	% of shareholding
1-500	13653	96.43	8,23,140	1.93
501-1000	229	1.62	1,87,563	0.44
1001-5000	207	1.46	4,69,986	1.10
5001-10000	23	0.16	1,68,273	0.39
10001 and above	47	0.33	4,11,06,161	96.14
<b>Total</b>	<b>14312</b>	<b>100.00</b>	<b>4,27,55,123</b>	<b>100.00</b>

**INDEPENDENT AUDITOR CERTIFICATE ON CORPORATE GOVERNANCE****TO THE MEMBERS OF SHALIMAR WIRES INDUSTRIES LIMITED**

We have examined the compliance of conditions of Corporate Governance by Shalimar Wires Industries Limited ("the Company"), for the year ended 31st March, 2019 as stipulated in Regulations 17-27, Clause (b) to (i) of the Regulations 46(2) and paragraph C, D and E of Schedule-V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

**Management's Responsibility**

The compliance of conditions of Corporate Governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations.

**Auditor's Responsibility**

Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of Corporate Governance as stated in first paragraph above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the relevant records of the Company in accordance with applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (ICAI), and Guidance Note on Report or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Service Engagements.

**Opinion**

Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17 to 27, Clause (b) to (i) of Regulation 46 (2) and paragraph C, D and E of Schedule-V of the SEBI Listing Regulations, as applicable during the year ended 31st March, 2019.

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

**Restriction on use**

This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For **Khandelwal Ray & Co.**  
*Chartered Accountants*  
Firm Regn No.302035E

**CA.P Sarkar**  
Partner

Membership No. 051449

Place : Kolkata  
Date : 12th August, 2019

**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  
Shalimar Wires Industries Limited  
25, Ganesh Chandra Avenue,  
Kolkata-700013

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Shalimar Wires Industries Limited having CIN L74140WB1996PLC081521 and having registered office at 25, Ganesh Chandra Avenue Kolkata-700013 (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](http://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 for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority except Mr. Dipak Dasgupta who has resigned from the Company with effect from 06.08.2019.

Sl. No	Name of Director	DIN	Date of appointment in Company
1	SUNIL KUMAR KHAITAN	00385961	12/09/2000
2	PARMANAND TIWARI	00731341	13/08/2018
3	RAJIVA	05193258	13/08/2018
4	SURABHI SANGANERIA	06987772	16/05/2017
5	DIP MITRA	08220267	02/08/2018

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 **MR & Associates**  
Company Secretaries

**[M R Goenka]**  
Partner

Place: Kolkata  
Date : 12/08/2019

FCS No.:4515, C P No.:2551

## ANNEXURE - II

**Information under Section 134(3)(m) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014 :**

**A. Conservation of Energy**

(i)	The steps taken or impact on Conservation of Energy	1. We have installed 3 nos. of APFC panel to compensate from transformer and increase the power factor.
		2. Introduction of Energy monitoring with real time software system and installation of energy meters in different equipment/ section loop is in progress for better control.
		3. One 500 KVA Transformer had been replaced on HP side in 2017-18 and two more 500 KVA Transformer have been installed in 2018-19 to reduce the core loss of old transformers.
		4. Most of the conventional lightings have been replaced by energy saving LED lights.
		5. Better insulation provided in Process Electrical Heaters to reduce the heat loss.
		6. Arrangement of better building insulation is in progress where Centralized Air Conditioning system is in operation for increasing the air conditioning efficiency.
(ii)	The steps taken by the Company for utilizing alternate sources of energy	Nil
(iii)	The capital investment on energy conservation equipments	Rs 31.43 lacs

**B. Technology Absorption**

(i)	The efforts made towards technology absorption	a) Synthetic <ul style="list-style-type: none"> <li>i) Two new looms are put into operation.</li> <li>ii) One seaming machine (SC5) is in operation for Forming Fabric and another(PSS5) for Dryer Fabric.</li> <li>iii) Woven Dryer Screen new design trial is going on.</li> <li>iv) SSB coarser variety has been developed and sent to market and positive feedback is received.</li> <li>v) Rack system is installed to keep Cannisters and to save space.</li> <li>vi) One modified heat setting cum finishing table is in installation stage to facilitate Dryer Fabric production.</li> </ul>
		(ii)

		ii) After introducing 2 more looms in synthetic weaving, the productivity & quality of fabric produced will improve simultaneously.
		iii) We have started manufacturing different grades of woven dryer fabrics thereby we are catering into this segment of market, which has got growing demand considering the fact of technological up-gradation of paper making process. It has been added in our produce range to cater the segment thereby increasing the business and turn-over of the company.
		iv) After introducing four numbers of new spiral machines and four numbers of Joining machine we are able to increase our productivity with increased product range.
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) –	i) With the development of above designs, we have been able to increase product life of highly abrasive machines and increase the scope of supply to different kind of paper machines, which ultimately leads to increase in business.
	a) the details of technology imported	Dryer seaming by Auto seaming.
	b) the year of import	2019
	c) whether the technology been fully absorbed	Yes
	d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof and	
(iv)	the expenditure incurred on research and development	Rs. 10.73 lacs

**C. Foreign exchange earnings and outgo :**

- (i) Foreign exchange earned in terms of actual inflow : Rs 2267.90 lacs
- (ii) Foreign exchange outgo in terms of actual outflow : Rs 2746.29 lacs

**MR & Associates**

Company Secretaries  
 46, B. B. Ganguly Street,  
 Kolkata-700012  
 Mobile No: 9831074332  
 Email :goenkamohan@gmail.com

**Form No. MR - 3****SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

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

To,  
 The Members,  
 SHALIMAR WIRES INDUSTRIES LIMITED  
 25, Ganesh Chandra Avenue  
 Kolkata - 700013

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SHALIMAR WIRES INDUSTRIES LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - d. The Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 and other applicable regulations /guidelines/circulars as may be issued by SEBI from time to time;

I further report that, there were no actions/ events in pursuance of;

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- (b) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (e) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings
- (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2016; and

We further report that having regard to the compliance system prevailing in the Company, we have relied upon the representation made by the Management, for compliance with the specific applicable laws like:

- (a) Factories Act, 1948
- (b) Payment of Wages Act, 1936

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

- (i) Secretarial Standards as issued and mandated by the Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with BSE Limited and Calcutta Stock Exchange.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, except Clause 108(2) of The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, the Company has made an application to Stock Exchange for listing of Equity Shares allotted to ARCIL after 18 days of its due date, consequent to which BSE has imposed a fine of Rs. 3,60,000 plus taxes and an additional fees, the same has been paid together on 01.07.2018.

#### **We further report that**

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

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.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

**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, the company had obtained approval of shareholders by way of Special resolution at the Annual General Meeting of the Company held on 29.09.2018;

- a. Continuation of Directorship of Mr. Dipak Dasgupta as Independent Director who has attained the age of 75 years;
- b. Approval for keeping registers, books of accounts and other statutory documents at a place other than registered office of the Company;

This Report is to be read with our letter of even date which is annexed as "Annexure A" and forms an integral part of this Report.

For **MR & Associates**  
Company Secretaries

**[M R Goenka]**  
Partner

Place: Kolkata  
Date : 12/08/2019

FCS No.:4515, C P No.:2551

“ANNEXURE – A”

(TO THE SECRETARIAL AUDIT REPORT OF SHALIMAR WIRES INDUSTRIES LIMITED  
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019)

To,  
The Members  
SHALIMAR WIRES INDUSTRIES LIMITED  
25, Ganesh Chandra Avenue,  
P S Bowbazar,  
Kolkata- 700013

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial Records 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 where 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 and standards is the responsibilities of the 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 efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **MR & Associates**  
*Company Secretaries*

**[M R Goenka]**  
*Partner*

FCS No.:4515, C P No.:2551

Place: Kolkata  
Date : 12/08/2019



## ANNEXURE - IV

## FORM NO. MGT-9

## Extract of annual return as on the financial year ended on 31st March, 2019

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

## I. REGISTRATION AND OTHER DETAILS :

i)	CIN	L74140WB1996PLC081521
ii)	Registration Date	13 <sup>th</sup> September, 1996
iii)	Name of the Company	SHALIMAR WIRES INDUSTRIES LIMITED
iv)	Category/Sub-Category of the Company	Public Limited Company
v)	Address of the Registered office and contact details	25, Ganesh Chandra Avenue, 2 <sup>nd</sup> Floor, Kolkata-700013, Phone : 033-2234-9308/09/10 Fax : 033-2211-6880 Email : <a href="mailto:kejriwal@shalimarwires.com">kejriwal@shalimarwires.com</a> Website : <a href="http://www.shalimarwires.com">www.shalimarwires.com</a>
vi)	Whether listed company or not	YES
vii)	Name, Address and contact details of Registrar and Transfer Agent, if any	Maheshwari Datamatics Private Limited 23, R.N. Mukherjee Road (5 <sup>th</sup> Floor), Kolkata-700 001, Phone : 033-22482248,22435029 Fax : 033-22484787 E-mail : <a href="mailto:mdpldc@yahoo.com">mdpldc@yahoo.com</a> <a href="mailto:mdpl@cal.vsnl.net.in">mdpl@cal.vsnl.net.in</a>

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated :

Sl. No	Name and Description of main products/services	NIC Code of the Product/ service	% to total turnover of the company
1.	Synthetic Forming Fabric	3548	67%
2.	Metal Fourdrinier Wire Cloth	3313	18%
3.	EDM Wire	3333	11%

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	Name and Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
NOT APPLICABLE					

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

## i) Category-wise Share Holding

Category of Shareholders	No of Shares held at the beginning of the year [As on 01/Apr/2018]				No of Shares held at the end of the year [As on 31/Mar/2019]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	12696169	0	12696169	29.6951	12696169	0	12696169	29.6951	0.0000
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	15127813	0	15127813	35.3825	15127813	0	15127813	35.3825	0.0000
e) Banks/FI									
f) Any other									
<b>Sub-total (A)(1)</b>	<b>27823982</b>	<b>0</b>	<b>27823982</b>	<b>65.0776</b>	<b>27823982</b>	<b>0</b>	<b>27823982</b>	<b>65.0776</b>	<b>0.0000</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other									
<b>Sub-total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0.0000</b>
<b>Total shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	<b>27823982</b>	<b>0</b>	<b>27823982</b>	<b>65.0776</b>	<b>27823982</b>	<b>0</b>	<b>27823982</b>	<b>65.0776</b>	<b>0.0000</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	679	679	0.0016	0	679	679	0.0016	0.0000
b) Banks/FI	400	12765	13165	0.0308	761376	12765	774141	1.8106	1.7798
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies	761076	0	761076	1.7801	0	0	0	0.0000	-1.7801
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Alternate Investment Funds									
Foreign Portfolio Investors									

Category of Shareholders	No of Shares held at the beginning of the year [As on 01/Apr/2018]				No of Shares held at the end of the year [As on 31/Mar/2019]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Provident Funds / Pension Funds									
Qualified Foreign Investor									
<b>Sub-total(B)(1):-</b>	761476	13444	774920	1.8125	761376	13444	774820	1.8122	-0.0003
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	6990362	5164978	12155340	28.4301	12072882	14791	12087673	28.2719	-0.1582
ii) Overseas	0	27	27	0.0001	0	27	27	0.0001	0.0000
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1402240	481693	1883933	4.4063	1407859	452315	1860174	4.3507	-0.0556
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	60003	0	60003	0.1403	144292	0	144292	0.3374	0.1971
c) Others (Specify)									
Non Resident Indians	19017	209	19226	0.0450	29620	209	29829	0.0698	0.0248
Qualified Foreign Investor									
Custodian of Enemy Property									
Foreign Nationals									
Clearing Members	35164	0	35164	0.0822	34251	0	34251	0.0801	-0.0021
Trusts	50	0	50	0.0001	50	0	50	0.0001	0.0000
Foreign Bodies-D R									
Foreign Portfolio Investors									
NBFCs registered with RBI	2478	0	2478	0.0058	25	0	25	0.0001	-0.0057
Employee Trusts									
Domestic Corporate Unclaimed Shares Account									
Investor Education and Protection Fund Authority									
<b>Sub-total(B)(2):-</b>	8509314	5646907	14156221	33.1099	13688979	467342	14156321	33.1102	0.0003

Category of Shareholders	No of Shares held at the beginning of the year [As on 01/Apr/2018]				No of Shares held at the end of the year [As on 31/Mar/2019]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	9270790	5660351	14931141	34.9224	14450355	480786	14931141	34.9224	0.0000
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	37094772	5660351	42755123	100.0000	42274337	480786	42755123	100.0000	0.0000

## ii) Shareholding of Promoters-

Sl No	Shareholder's Name	Shareholding at the beginning of the year [As on 01/Apr/2018]			Shareholding at the end of the year [As on 31/Mar/2019]			% change in share holding during the Year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Sunita Khaitan	10118900	23.6671	100.0000	10118900	23.6671	1.1750	0.0000
2	Reliance Sheet Works Pvt Ltd	7251481	16.9605	100.0000	7251481	16.9605	100.0000	0.0000
3	Amit Commercial Co Ltd	7230132	16.9106	100.0000	7230132	16.9106	77.8538	0.0000
4	Vedant Khaitan	1000408	2.3399	100.0000	1000408	2.3399	0.0000	0.0000
5	Umaesh Kumar Khaitan	306074	0.7159	100.0000	306074	0.7159	100.0000	0.0000
6	Sumangla Invesment Company Ltd	280992	0.6572	100.0000	280992	0.6572	100.0000	0.0000
7	Sunil Kumar Khaitan	274662	0.6424	100.0000	274662	0.6424	100.0000	0.0000
8	Sudhir Kumar Khaitan	274461	0.6419	100.0000	274461	0.6419	100.0000	0.0000
9	Anil Kumar Khaitan	233450	0.5460	100.0000	233450	0.5460	100.0000	0.0000
10	Esquire Engineering Ltd	161547	0.3778	100.0000	161547	0.3778	100.0000	0.0000
11	Sarita Khaitan	159915	0.3740	100.0000	159915	0.3740	100.0000	0.0000
12	Rashmi Khaitan	118640	0.2775	100.0000	118640	0.2775	100.0000	0.0000
13	Shalimar Holdings Ltd	112343	0.2628	100.0000	112343	0.2628	100.0000	0.0000
14	Sita Devi Khaitan	88512	0.2070	100.0000	88512	0.2070	100.0000	0.0000
15	Sam Tul Investments Ltd	87328	0.2043	100.0000	87328	0.2043	100.0000	0.0000
16	Sashi Prabha Khaitan	67193	0.1572	100.0000	67193	0.1572	100.0000	0.0000
17	Kavita Khaitan	53954	0.1262	100.0000	53954	0.1262	100.0000	0.0000
18	Agro Chemicals And Fertilizers Ltd	3990	0.0093	100.0000	3990	0.0093	100.0000	0.0000
<b>Total</b>		<b>27823982</b>	<b>65.0775</b>	<b>100.0000</b>	<b>27823982</b>	<b>65.0775</b>	<b>54.7095</b>	<b>0.0000</b>

## iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No	Name	Shareholding at the beginning [01/Apr/18]/end of the year [31/Mar/19]		Cumulative Shareholding during the year [01/Apr/18 to 31/Mar/19]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>ESQUIRE ENGINEERING LTD</b>				
	01-04-2018	161547	0.3778		
	31-03-2019	161547	0.3778	161547	0.3778
<b>2</b>	<b>RELIANCE SHEET WORKS PVT LTD</b>				
	01-04-2018	7251481	16.9605		
	31-03-2019	7251481	16.9605	7251481	16.9605
<b>3</b>	<b>SAM TUL INVESTMENTS LTD</b>				
	01-04-2018	87328	0.2043		
	31-03-2019	87328	0.2043	87328	0.2043
<b>4</b>	<b>SHALIMAR HOLDINGS LTD</b>				
	01-04-2018	112343	0.2628		
	31-03-2019	112343	0.2628	112343	0.2628
<b>5</b>	<b>AMIT COMMERCIAL CO LTD</b>				
	01-04-2018	7230132	16.9106		
	31-03-2019	7230132	16.9106	7230132	16.9106
<b>6</b>	<b>AGRO CHEMICALS AND FERTILIZERS LTD</b>				
	01-04-2018	3990	0.0093		
	31-03-2019	3990	0.0093	3990	0.0093
<b>7</b>	<b>SUMANGLA INVESMENT COMPANY LTD</b>				
	01-04-2018	280992	0.6572		
	31-03-2019	280992	0.6572	280992	0.6572
<b>8</b>	<b>SUNIL KUMAR KHAITAN</b>				
	01-04-2018	274662	0.6424		
	31-03-2019	274662	0.6424	274662	0.6424
<b>9</b>	<b>ANIL KUMAR KHAITAN</b>				
	01-04-2018	233450	0.5460		
	31-03-2019	233450	0.5460	233450	0.5460
<b>10</b>	<b>RASHMI KHAITAN</b>				
	01-04-2018	118640	0.2775		
	31-03-2019	118640	0.2775	118640	0.2775
<b>11</b>	<b>SUDHIR KUMAR KHAITAN</b>				
	01-04-2018	274461	0.6419		
	31-03-2019	274461	0.6419	274461	0.6419
<b>12</b>	<b>UMAESH KUMAR KHAITAN</b>				
	01-04-2018	306074	0.7159		
	31-03-2019	306074	0.7159	306074	0.7159

Sl. No	Name	Shareholding at the beginning [01/Apr/18]/end of the year [31/Mar/19]		Cumulative Shareholding during the year [01/Apr/18 to 31/Mar/19]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>13</b>	<b>SARITA KHAITAN</b>				
	01-04-2018	159915	0.3740		
	31-03-2019	159915	0.3740	159915	0.3740
<b>14</b>	<b>SUNITA KHAITAN</b>				
	01-04-2018	10118900	23.6671		
	31-03-2019	10118900	23.6671	10118900	23.6671
<b>15</b>	<b>SITA DEVI KHAITAN</b>				
	01-04-2018	88512	0.2070		
	31-03-2019	88512	0.2070	88512	0.2070
<b>16</b>	<b>KAVITA KHAITAN</b>				
	01-04-2018	53954	0.1262		
	31-03-2019	53954	0.1262	53954	0.1262
<b>17</b>	<b>VEDANT KHAITAN</b>				
	01-04-2018	1000408	2.3399		
	31-03-2019	1000408	2.3399	1000408	2.3399
<b>18</b>	<b>SASHI PRABHA KHAITAN</b>				
	01-04-2018	67193	0.1572		
	31-03-2019	67193	0.1572	67193	0.1572

## iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name	Shareholding at the beginning [01/Apr/18]/end of the year [31/Mar/19]		Cumulative Shareholding during the year [01/Apr/18 to 31/Mar/19]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>ADROIT TRADELINK PRIVATE LIMITED #</b>				
	01-04-2018	158549	0.3708		
	20/07/2018 - Transfer	-158549	0.3708	0	0.0000
	03/08/2018 - Transfer	44773	0.1047	44773	0.1047
	31-03-2019	44773	0.1047	44773	0.1047
<b>2</b>	<b>LIFE INSURANCE CORPORATION OF INDIA</b>				
	01-04-2018	671950	1.5716		
	31-03-2019	671950	1.5716	671950	1.5716
<b>3</b>	<b>MONARCH NETWORTH FINSERVE PRIVATE LIMITED *</b>				
	01-04-2018	0	0.0000		
	20/07/2018 - Transfer	158549	0.3708	158549	0.3708
	31-03-2019	158549	0.3708	158549	0.3708

Sl. No.	Name	Shareholding at the beginning [01/Apr/18]/end of the year [31/Mar/19]		Cumulative Shareholding during the year [01/Apr/18 to 31/Mar/19]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>4</b>	<b>RAJPUTANA INVESTMENT SOCIETY PRIVATE LIMITED</b>				
	01-04-2018	172324	0.4030		
	31-03-2019	172324	0.4030	172324	0.4030
<b>5</b>	<b>THE ORIENTAL INSURANCE COMPANY LIMITED</b>				
	01-04-2018	89026	0.2082		
	31-03-2019	89026	0.2082	89026	0.2082
<b>6</b>	<b>FOUNTAIN VANIJYA PRIVATE LIMITED</b>				
	01-04-2018	100000	0.2339		
	31-03-2019	100000	0.2339	100000	0.2339
<b>7</b>	<b>MAGADH TRADERS LTD</b>				
	01-04-2018	104245	0.2438		
	31-03-2019	104245	0.2438	104245	0.2438
<b>8</b>	<b>NIHARIKA INDIA LTD #</b>				
	01-04-2018	74643	0.1746		
	31-03-2019	74643	0.1746	74643	0.1746
<b>9</b>	<b>MANGLAM INDIA LIMITED</b>				
	01-04-2018	165702	0.3876		
	31-03-2019	165702	0.3876	165702	0.3876
<b>10</b>	<b>DHM TRADING PVT LTD</b>				
	01-04-2018	102964	0.2408		
	25/05/2018 - Transfer	3500	0.0082	106464	0.2490
	31-03-2019	106464	0.2490	106464	0.2490
<b>11</b>	<b>ASSET RECONSTRUCTION COMPANY (INDIA) LIMITED</b>				
	01-04-2018	11100000	25.9618		
	06/04/2018 - Transfer	-5150000	13.6949	5950000	15.8223
	13/04/2018 - Transfer	5150000	12.0453	11100000	25.9618
	11/01/2019 - Transfer	5150000	10.7504	16250000	33.9212
	22/03/2019 - Transfer	-5150000	12.0453	11100000	25.9618
	31-03-2019	11100000	25.9618	11100000	25.9618
<b>12</b>	<b>VINEET NAHATA *</b>				
	01-04-2018	0	0.0000		
	13/04/2018 - Transfer	41211	0.0964	41211	0.0964
	20/04/2018 - Transfer	19386	0.0453	60597	0.1417
	27/04/2018 - Transfer	4448	0.0104	65045	0.1521
	11/05/2018 - Transfer	2803	0.0066	67848	0.1587
	18/05/2018 - Transfer	1000	0.0023	68848	0.1610
	25/05/2018 - Transfer	-23122	0.0541	45726	0.1069

Sl. No.	Name	Shareholding at the beginning [01/Apr/18]/end of the year [31/Mar/19]		Cumulative Shareholding during the year [01/Apr/18 to 31/Mar/19]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	01/06/2018 - Transfer	-23000	0.0538	22726	0.0532
	15/06/2018 - Transfer	1	0.0000	22727	0.0532
	22/06/2018 - Transfer	20457	0.0478	43184	0.1010
	29/06/2018 - Transfer	2415	0.0056	45599	0.1067
	06/07/2018 - Transfer	30778	0.0720	76377	0.1786
	13/07/2018 - Transfer	-2172	0.0051	74205	0.1736
	20/07/2018 - Transfer	2131	0.0050	76336	0.1785
	27/07/2018 - Transfer	6781	0.0159	83117	0.1944
	03/08/2018 - Transfer	4582	0.0107	87699	0.2051
	10/08/2018 - Transfer	138	0.0003	87837	0.2054
	17/08/2018 - Transfer	15200	0.0356	103037	0.2410
	24/08/2018 - Transfer	7339	0.0172	110376	0.2582
	31/08/2018 - Transfer	1400	0.0033	111776	0.2614
	07/09/2018 - Transfer	5909	0.0138	117685	0.2753
	14/09/2018 - Transfer	-840	0.0020	116845	0.2733
	28/09/2018 - Transfer	-5695	0.0133	111150	0.2600
	01/02/2019 - Transfer	1000	0.0021	112150	0.2341
	08/02/2019 - Transfer	88	0.0002	112238	0.2343
	31-03-2019	112238	0.2625	112238	0.2625

\* Not in the list of Top 10 shareholders as on 01/04/2018 The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2019.

# Ceased to be in the list of Top 10 shareholders as on 31/03/2019. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2018.

#### v) Shareholding of Directors and Key Managerial Personnel

Sl. No	Name	Shareholding at the beginning [01/Apr/18]/end of the year [31/Mar/19]		Cumulative Shareholding during the year [01/Apr/18 to 31/Mar/19]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>SUNIL KUMAR KHAITAN</b>				
	01-04-2018	274662	0.6424		
	31-03-2019	274662	0.6424	274662	0.6424



**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/ accrued but not due for payment :

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total
Indebtedness at the beginning of the financial year (1 <sup>st</sup> April,2018)				
i) Principal Amount	3105	4030	-	7135
ii) Interest due but not paid	181	-	-	181
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>3286</b>	<b>4030</b>	<b>-</b>	<b>7316</b>
<b>Change in indebtedness during the financial year</b>				
Addition ( PRIN+INT)	1654	7367	-	9021
Reduction ( PRIN)	2273	5330	-	7603
<b>Net change</b>	<b>-619</b>	<b>2037</b>	<b>-</b>	<b>1418</b>
<b>Indebtedness at the end of the financial year (31<sup>st</sup> March, 2019)</b>				
i) Principal Amount	2473	6067	-	8540
ii) Interest due but not paid	194	-	-	194
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>2667</b>	<b>6067</b>	<b>-</b>	<b>8734</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (Rs.in lacs)
		Mr. Sunil Khaitan	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	29.60	29.60
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	27.78	27.78
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL
2.	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission	NIL	NIL
	- as % of profit		
	- others, specify...		
5.	Others, please specify		
	Total (A)	57.38	57.38
	Ceiling as per the Act	84.00	84.00

\*Excluding Provident Fund contribution of Rs. 3.55 lacs

**B. Remuneration to other directors:**

1	Particular of remuneration	Name of Directors				Total Amount (Rs. in lacs)
		Mr. Parmanand Tiwari	Dr. Rajiva	Mr. Dipak Dasgupta	Ms. Surabhi Sanganeria	
	a) Fee for attending Board/Committee Meetings b) Commission c) Other, please specify	0.54	0.54	0.92	0.38	2.38
	<b>Total (1)</b>	<b>0.54</b>	<b>0.54</b>	<b>0.92</b>	<b>0.38</b>	<b>2.38</b>
2.	Other Non-Executive Directors :	Mr. Manash Chakraborty (Nominee of ARCIL till 02.08.2018)	Mr. Dip Mitra (Nominee of ARCIL from 02.08.2018)			
	a) Fee for attending Board/Committee Meetings b) Commission c) Other, please specify	0.23	0.49			0.72
	<b>Total (2)</b>	<b>0.23</b>	<b>0.49</b>			<b>0.72</b>
	<b>Total (B) = (1+2)</b>					<b>3.10</b>
	<b>Total Managerial Remuneration (A+B)</b>					<b>60.48</b>
	Overall Ceiling as per the Act	All the independent and non-executive Directors have been paid sitting fees for attending Board meetings and Committee meetings which is well within the limits prescribed under the Companies Act, 2013.				

## c. Remuneration to Key Managerial personnel other than MD /Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		CFO	Company Secretary	Total (Rs .in lacs)
	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	13.25	8.95	22.20
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	37.02	18.63	55.65
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL
	<b>Total</b>	<b>50.27</b>	<b>27.58</b>	<b>77.85</b>

## VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment Compounding Fees imposed	Authority [RD/ NCLT/ COURT]	Appeal Made, if any (give details)
<b>A. COMPANY</b>					
Penalty	NIL	---	NONE	---	---
Punishment	NIL	---	NONE	---	---
Compounding	NIL	---	NONE	---	---
<b>B. DIRECTORS</b>					
Penalty	NIL	---	NONE	---	---
Punishment	NIL	---	NONE	---	---
Compounding	NIL	---	NONE	---	---
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NIL	---	NONE	---	---
Punishment	NIL	---	NONE	---	---
Compounding	NIL	---	NONE	---	---

## ANNEXURE - V

## STATEMENT OF DISCLOSURE OF REMUNERATION PURSUANT TO SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i)	<b>The ratio of the remuneration of Chairman &amp; Managing Director to the median remuneration of the employees of the Company for the financial year :</b>	
	<b>Directors</b>	<b>Ratio</b>
	Mr. Sunil Khaitan, Chairman & Managing Director	1:47
(ii)	<b>The percentage increase in remuneration of Chairman &amp; Managing Director , Chief Financial Officer and Company Secretary in the financial year :</b>	
		<b>% increase/(decrease)</b>
	Mr. Sunil Khaitan, Chairman & Managing Director	36.80%
	Mr. S.J. Sengupta, CFO	3.20%
	Mr. S.K. Kejriwal, Company Secretary	35.33%
(iii)	<b>The percentage increase in the median remuneration of employees in the financial year :</b>	4.06%
(iv)	The number of permanent employees on the rolls of company : (as on 31st March, 2019)	510
(v)	<b>Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:</b>	
	Average percentile increase is 4.06% in respect of all the employees except managerial personnel. The remuneration of CMD was revised in view of efforts made by him in revival of the Company and ongoing upgradation and modernization plan undertaken by the Company under his leadership. Further, remuneration of Company Secretary was increased keeping in view the additional work load given to him.	
(vi)	<b>Affirmation that the remuneration is as per the remuneration policy of the Company</b>	
	The Company affirms that the remuneration paid to employees is in accordance with the Remuneration Policy of the Company.	

# Independent Auditors' Report

## TO THE MEMBERS OF SHALIMAR WIRES INDUSTRIES LIMITED

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the Standalone Financial Statements of **Shalimar Wire Industries Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

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 ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019 and loss for the year, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 independent requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules made there under 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 we have obtained 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Information other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of 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, Business Responsibility Report, Corporate Governance and Shareholders Information, but does not include the 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.

## Independent Auditors' Report *(contd.)*

### 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 Companies act, 2013 ("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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

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 judgements 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 Statements 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.

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

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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. Misstatement can arise from fraud or error and the 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 controls 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 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

## Independent Auditors' Report *(contd.)*

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 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 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

- i) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Sub-section (11) of Section 143 of the Act, we enclose in the **Annexure – A**, a statement on the matters specified in the said Order, to the extent applicable to the Company.
- ii) As required by Section 143(3) of the Act, based on our audit we report that
  - a) We have sought and, except for the matters described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement Cash Flows 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 Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of written representations received from the Directors as on 31st March, 2019 taken on record by the Board of Directors, none of the Director is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

## Independent Auditors' Report *(contd.)*

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 – B**. 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:

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 provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with amended 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, wherever ascertainable – Refer Note No. 32.

ii) The Company did not have any long-term contracts including derivative contracts for which there was any material foreseeable loss.

iii) Since the Sick Industrial Companies Act has been repealed by the Government of India, the exemption granted to the Company by the erstwhile BIFR from transferring any amount to the Investor Education and Protection Fund is no longer available and accordingly the Company is taking necessary steps for transferring the unclaimed amounts to Investor Education and Protection Fund.

**For Khandelwal Ray & Co.**

*Chartered Accountant*

FR No. 302035E

**P. Sarkar**

*Partner*

(Membership No. 051449)

Kolkata

Date : 27th May, 2019



## Annexure 'A' to the Independent Auditors' Report

**The Annexure referred to in our report to the members of Shalimar Wires Industries Limited for the year ended 31st March, 2019.**

We report that :

(i) (a) Whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;	(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
(b) Whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	(b) The fixed assets have been physically verified under a phased program of physical verification. To the best of our knowledge, no material discrepancies were noticed on such verification.
(c) Whether the title deeds of immovable properties are held in the name of the company. If not, provide the details thereof;	(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company, subject to charges created in favour of the lenders of the Company.
(ii) Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the books of account;	(ii) The Inventories have been physically verified by the management at reasonable intervals during the year and discrepancies noticed on such physical verification, which were not material, have been properly dealt with in the books of account.
(iii) Whether the company has 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 Companies Act, 2013. If so,	(iii) During the year 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 Companies Act, 2013.
(a) whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest;	(a) Not applicable
(b) whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;	(b) Not applicable
(c) if the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest;	(c) Not applicable
(iv) In respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof.	(iv) The Company has not given any loan within the meaning of Section 185 of the Act. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 186 of the Act, with regard to investments made.

## Annexure 'A' to the Independent Auditors' Report (contd.)

<p>(v) In case the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?</p>	<p>(v) The Company has not accepted any deposit within the meaning of Section 73 of the Companies Act.</p>																
<p>(vi) Where maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained.</p>	<p>(vi) The Central Government has specified maintenance of cost records under Section 148 (1) of the Companies Act, 2013 for Metal Wire Cloth manufactured by the Company. We have broadly reviewed such accounts and records and we are of the opinion that the accounts and records have been made and maintained by the Company. However, we have not made any detailed examination of such records in order to ascertain whether those are complete and accurate.</p>																
<p>(vii) (a) Whether the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated;</p>	<p>(vii) (a) According to the records, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Sales Tax, Custom Duty, other statutory dues with appropriate authorities.</p> <p>As explained to us, the Company does not have any dues in respect of Wealth Tax, Service Tax and Cess.</p>																
<p>(b) Where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute)</p>	<p><b>(b) The disputed statutory dues aggregating to Rs 434.21 Lacs (inclusive of amounts not provided in financial statement) that have not been deposited on account of matters pending before appropriate authorities are as under:</b></p> <table border="1" data-bbox="617 1358 1247 1622"> <thead> <tr> <th>Nature of dues</th> <th>Amount (Rs in Lacs)</th> <th>Year which it relates</th> <th>Forum</th> </tr> </thead> <tbody> <tr> <td>Vat &amp; Penalty</td> <td>0.34</td> <td>1980-81</td> <td>The Additional Commissioner of Commercial Taxes, Kolkata</td> </tr> <tr> <td>Vat</td> <td>0.54</td> <td>1993-94</td> <td>The Additional Commissioner of Commercial Taxes, Kolkata</td> </tr> <tr> <td>Tax, Penalty &amp; Interest</td> <td>1.22</td> <td>1988-89</td> <td>The West Bengal Commercial Taxes Appellate &amp; Revision Board, Kolkata</td> </tr> </tbody> </table>	Nature of dues	Amount (Rs in Lacs)	Year which it relates	Forum	Vat & Penalty	0.34	1980-81	The Additional Commissioner of Commercial Taxes, Kolkata	Vat	0.54	1993-94	The Additional Commissioner of Commercial Taxes, Kolkata	Tax, Penalty & Interest	1.22	1988-89	The West Bengal Commercial Taxes Appellate & Revision Board, Kolkata
Nature of dues	Amount (Rs in Lacs)	Year which it relates	Forum														
Vat & Penalty	0.34	1980-81	The Additional Commissioner of Commercial Taxes, Kolkata														
Vat	0.54	1993-94	The Additional Commissioner of Commercial Taxes, Kolkata														
Tax, Penalty & Interest	1.22	1988-89	The West Bengal Commercial Taxes Appellate & Revision Board, Kolkata														

## Annexure 'A' to the Independent Auditors' Report (contd.)

	Nature of dues	Amount (Rs in Lacs)	Year which it relates	Forum
	Tax & Penalty	31.92	2000-01 to 2006-07	The West Bengal Taxation Tribunal
	Tax & Penalty	0.44	2011-12 2012-13	The West Bengal Commercial Taxes Appellate & Revision Board, Kolkata
	CST, Interest & Penalty	178.95	1995-96 to 2012-13	The Sr.Joint Commissioner of Commercial Taxes
	VAT Interest & Penalty	26.69	2014-15	The Sr.Joint Commissioner of Commercial Taxes
	Central Excise Tax & Penalty	70.66	1992, 1994, 1996, 2003, 2004	Commissioner (Appeals) Central Excise, Kolkata-IV
	Central Excise Tax & Penalty	31.07	2006 2009, 2010, 2011, 2012, 2013	Commissioner (Appeals) Central Excise, Kolkata-IV
	Central Excise Tax & Penalty	92.38	2014 to 2016	Commissioner (Appeals) Central Excise, Kolkata-IV
(viii) Whether the company has defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders? If yes, the period and the amount of default to be reported (in case of defaults to banks, financial institutions, and Government, lender wise details to be provided).	(viii) The Company has made defaults in repayment of dues to Debenture Holders, which have been set out in Footnotes No (ii) of Note No 14 to Financial Statements.			
(ix) Whether moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;	(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. According to the information and explanations given to us, the Term Loan raised during the year had been applied for the purposes for which the same was raised.			
(x) Whether any fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated;	(x) Based upon the audit procedure performed and the information and explanation given by the Company, we report that no fraud on or by the Company has been noticed or reported during the year that causes the financial statements materially misstated.			
(xi) Whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same;	(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approval mandated by the provisions of Section 197 read with Schedule V of the Act.			

**Annexure 'A'** to the Independent Auditors' Report (*contd.*)

(xii) Whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability and whether the Nidhi Company is maintaining ten per cent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;	(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
(xiii) Whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;	(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
(xiv) Whether the company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non-compliance;	(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
(xv) Whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with;	(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
(xvi) Whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.	(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For Khandelwal Ray & Co.**  
Chartered Accountant  
FR No. 302035E

**P. Sarkar**  
Partner

(Membership No. 051449)

Kolkata  
Date : 27th May, 2019

## **Annexure 'B'** to the Independent Auditors' Report (*contd.*)

### **Report on the Internal Financial Controls 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 Shalimar Wires Industries Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the 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 ('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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 judgment, 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

## Annexure 'B' to the Independent Auditors' Report (*contd.*)

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 March 31, 2019, 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.

**For Khandelwal Ray & Co.**  
Chartered Accountant  
FR No. 302035E

Kolkata  
Date : 27th May, 2019

**P. Sarkar**  
Partner  
(Membership No. 051449)

### The Board of Directors Shalimar Wire Industries Limited

#### Independent Auditor's Report on the Statement of Financial Results

We have audited the accompanying Statement containing the annual audited financial results of Shalimar Wire Industries Limited (the "Company") for the year ended 31st March, 2019 together with the notes thereon (hereinafter referred to as the "Statement"), which we have signed under reference to this report.

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

Management is responsible for the preparation of the accompanying Statement. The Management is also responsible for the preparation of the annual statutory financial statements in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 (the "accounting principles generally accepted in India"), basis which the above Statement containing the annual audited financial results has been prepared. The responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Statement that is free from material misstatement, whether due to fraud or error.

#### Auditors' Responsibility for the Financial Results

Our responsibility is to express an opinion on the Statement based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("the Act") and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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

#### **Opinion**

Subject to the following, in our opinion and to the best of our information and according to the explanations given to us:

- (i) the Statement, together with the notes thereon are presented in the format prescribed under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (ii) the Annual audited financial results for the year ended 31st March, 2019 as set out in the Statement gives a true and fair view of the total comprehensive income (comprising of loss and other comprehensive income), and other financial information of the Company for the year ended 31st March, 2019 in accordance with the accounting principles generally accepted in India.

#### **Emphasis of Matter**

- (i) We draw your attention to Note 6 of the Statement regarding the figures for the quarter ended 31st March, 2019, which are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures upto the third quarter of the current financial year. Our opinion is not qualified in respect of this matter.
- (ii) The Statement dealt with by this report has been prepared for the express purpose of filing with stock exchanges on which the Company's shares are listed. This Statement is based on and should be read with the audited Financial Statements of the Company for the year ended 31st March, 2019 on which we issued an unmodified audit opinion vide our report dated 27th May, 2019

#### **Restriction on Use**

This report is addressed to the Board of Directors of the Company and has been prepared for and only for the purposes set out in paragraph (ii) above of Emphasis of Matter. This report should not be otherwise used by any other party for any other purpose.

**For Khandelwal Ray & Co.**  
*Chartered Accountant*  
FR No. 302035E

**Pinaki Sarkar**  
*Partner*  
(Membership No. 051449)

Kolkata  
Date: 27th May, 2019

**Balance Sheet** as at 31st March, 2019

(Rs.in lacs)

SL. NO	PARTICULARS	NOTE NO	BALANCE AS AT 31.03.2019		BALANCE AS AT 31.03.2018	
<b>A.</b>	<b>ASSETS</b>					
<b>1</b>	<b>Non-current assets</b>					
	(a) Property, Plant and Equipment	<b>2</b>		7,300.81		4,530.11
	(b) Capital Work-in-Progress	<b>3</b>		2,092.26		696.61
	(c) Other Intangible Assets	<b>4</b>		42.92		53.10
	(d) Financial Assets					
	(i) Investments	<b>5</b>	1.53		1.53	
	(ii) Others Financial Assets		-	1.53	-	1.53
	(e) Other Non-Current Assets	<b>6</b>		725.27		1,199.32
	<b>Total Non-Current Assets</b>			<b>10,162.79</b>		<b>6,480.67</b>
<b>2</b>	<b>Current assets</b>					
	(a) Inventories	<b>7</b>		2,740.45		2,496.00
	(b) Financial Assets					
	(i) Trade receivables	<b>8</b>	3,017.36		3,282.14	
	(ii) Cash and cash equivalents	<b>9</b>	275.99		2,973.49	
	(iii) Bank Balances other than (iii) above	<b>10</b>	635.59		303.76	
	(vi) Others Financial Assets		-	3,928.93	-	6,559.39
	(c) Other Current Assets	<b>11</b>		908.63		317.86
	<b>Total Current Assets</b>			<b>7,578.01</b>		<b>9,373.25</b>
	<b>Total Assets</b>			<b>17,740.80</b>		<b>15,853.92</b>
<b>B.</b>	<b>EQUITY AND LIABILITIES</b>					
<b>I</b>	<b>Equity</b>					
	(a) Equity Share capital	<b>12</b>		855.10		855.10
	(b) Other Equity	<b>13</b>		3,744.07		4,278.30
	<b>Total Equity</b>			<b>4,599.18</b>		<b>5,133.41</b>
<b>II</b>	<b>LIABILITIES</b>					
<b>1</b>	<b>Non-current liabilities</b>					
	(a) Financial Liabilities					
	(i) Borrowings	<b>14</b>	7,780.44		6,527.76	
	(ii) Other Financial Liabilities	<b>15</b>	-		43.43	
	(b) Provisions	<b>16</b>		7,780.44		6,571.20
	(c) Other non-current liabilities	<b>17</b>		612.78		637.28
	<b>Total Non-current liabilities</b>			<b>8,606.42</b>		<b>7,425.11</b>
<b>2</b>	<b>Current liabilities</b>					
	(a) Financial Liabilities					
	(i) Borrowings	<b>18</b>	369.92		116.04	
	(ii) Trade Payables	<b>19</b>	2,219.33		1,545.07	
	(iii) Other Financial Liabilities	<b>20</b>	1,198.24		977.57	
	(b) Other current liabilities	<b>21</b>		3,787.50		2,638.68
	(c) Provisions	<b>22</b>		595.58		558.94
	<b>Total Current liabilities</b>			<b>4,535.21</b>		<b>3,295.40</b>
	<b>Total Liabilities</b>			<b>13,141.62</b>		<b>10,720.52</b>
	<b>Total Equity and Liabilities</b>			<b>17,740.80</b>		<b>15,853.92</b>

Basis of preparation, measurement and significant accounting policies **1**

Other Disclosures **32-45**

The accompanying notes 1 to 45 are an integral part of these financial statements

As per our report of even date

For **KHANDELWAL RAY & CO**

Chartered Accountants

FR NO.302035E

**CA. P. SARKAR**

Partner

Membership No.051449

Kolkata

Dated: 27th May 2019

For and on behalf of Board of Directors

**Sunil Khaitan**  
Managing Director

**Dipak Dasgupta**  
Director

**S.J. Sengupta**  
President & CFO

**S.K.Kejriwal**  
Company Secretary



## Statement of Profit and Loss for the year ended 31st March, 2019

(Rs.in lacs)

SL NO	PARTICULARS	NOTE NO	FOR THE YEAR ENDED 31ST MARCH, 2019		FOR THE YEAR ENDED 31ST MARCH, 2018	
I.	Revenue from Operations	23		11,534.55		10,806.67
II.	Other Income	24		333.78		331.49
III.	Total Revenue ( I + II )			11,868.33		11,138.15
IV.	Expenses:					
	Cost of Materials Consumed	25	3,511.89		3,195.84	
	Changes in Inventories of Finished Goods, Work in Progress & Stock in Trade	26	31.40		331.66	
	Excise Duty		-		271.00	
	Employees Benefits	27	2,695.97		2,590.75	
	Finance Cost	28	881.31		797.06	
	Depreciation and Amortization	33	504.81		536.27	
			-	504.81	-	536.27
	Other Expenses	29		4,755.95		4,526.66
	Total Expenses			12,381.32		12,249.24
V.	Profit/(Loss) before exceptional item and tax ( III - IV )			(512.99)		(1,111.09)
VI.	Exceptional Items -Income/(expenditure)	30		-	-	21,457.66
VII.	Profit/(Loss) before tax ( V - VI )			(512.99)		20,346.57
VIII.	Tax Expenses:					
	i) Current Tax			-	-	-
	ii) Deferred Tax			-	-	-
IX.	Profit ( Loss ) for the period from continuing operations ( VII - VIII )			(512.99)		20,346.57
XIII.	Profit ( Loss ) for the period ( IX + XII )			(512.99)		20,346.57
XIV.	Other Comprehensive Income	31				
	A. i) Items that will not be reclassified to profit or loss		(21.24)		42.75	
	ii) Income Tax relating to items that will not be reclassified to profit or loss		-	(21.24)	-	42.75
	B. i) Items that will be reclassified to profit or loss		-		-	
	ii) Income Tax relating to items that will be reclassified to profit or loss		-	(21.24)	-	42.75
XV.	Total Comprehensive Income for the period (XIII +XIV)			(534.23)		20,389.31
XVI.	Earnings Per Equity Share:	44				
	i) Basic			(1.20)		47.59
	ii) Diluted			(1.20)		47.59

Basis of preparation, measurement and significant accounting policies

1

Other Disclosures

32-45

The accompanying notes 1 to 45 are an integral part of these financial statements

As per our report of even date

For **KHANDELWAL RAY & CO**

Chartered Accountants

FR NO.302035E

CA. P. SARKAR

Partner

Membership No.051449

Kolkata

Dated: 27th May 2019

For and on behalf of Board of Directors

**Sunil Khaitan**  
Managing Director

**Dipak Dasgupta**  
Director

**S.J. Sengupta**  
President & CFO

**S.K. Kejriwal**  
Company Secretary

## Statement of Changes in Equity For the period ended 31st March, 2019

(Rs.in lacs)

### A. EQUITY SAHARE CAPITAL

Sl. No.	Particulars	Note No	Balance
I	<b>Balance as at 31st March, 2018</b>		<b>855.10</b>
	Change in Equity Share Capital during the year		-
	Change in Preference Share Capital during the year		-
II	<b>Balance at the 31st March, 2019</b>	<b>12</b>	<b>855.10</b>

### B. OTHER EQUITY

Sl. No	Particulars	Reserve and Surplus		Items of Other Comprehensive Income (OCI)		Total
		General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Remeasurements of net defined benefit plans	
I	<b>Balance as at 31st March, 2018</b>	<b>287.63</b>	<b>3,947.23</b>	<b>(0.53)</b>	<b>43.97</b>	<b>4,278.30</b>
	Profit/ (Loss) for the year	-	(512.99)	-	-	(512.99)
	Other Cprehensive Income for the year	-	-	-	(21.24)	(21.24)
	<b>Total Cprehensive Income for the year</b>	<b>-</b>	<b>(512.99)</b>	<b>-</b>	<b>(21.24)</b>	<b>(534.23)</b>
II	<b>Balance as at 31st March, 2019</b>	<b>287.63</b>	<b>3,434.24</b>	<b>(0.53)</b>	<b>22.72</b>	<b>3,744.07</b>

The accompanying notes 1 to 45 are an integral part of these financial statements

As per our report of even date

For **KHANDELWAL RAY & CO**

Chartered Accountants

FR NO.302035E

**CA. P. SARKAR**

Partner

Membership No.051449

Kolkata

Dated: 27th May 2019

For and on behalf of Board of Directors

**Sunil Khaitan**  
Managing Director

**Dipak Dasgupta**  
Director

**S.J. Sengupta**  
President & CFO

**S.K.Kejriwal**  
Company Secretary

## Cash Flow Statement for the year ended 31st March, 2019

(Rs.in lacs)

PARTICULARS	FOR THE YEAR ENDED 31.03.2019	FOR THE YEAR ENDED 31.03.2018
<b>A. Cash Flow from Operating Activities :</b>		
Net Profit ( Loss ) before Tax	(512.99)	20,346.57
<b>Adjustments For :</b>		
Depreciation and amortisation expense	504.81	536.27
(Profit) / Loss on Sale / Discard of Tangible Fixed Assets	4.99	9.12
Exceptional Items	-	21,457.66
Interest Income	(111.85)	(195.61)
Fair value gain/(loss) on Investments	-	(0.15)
Finance Cost	881.31	797.06
Sundry Balances Written Off	11.48	606.33
Provision for Doubtful Debt	-	270.20
Debts and advances written off	-	156.80
<b>Operating Profit before Working Capital Changes</b>	<b>777.75</b>	<b>43,984.26</b>
<b>Adjustments For:</b>		
Increase/(Decrease) in Other Non Current Financial Liabilities	(43.43)	(0.00)
Increase/(Decrease) in Other Non Current Liabilities	(3.45)	(6.89)
Increase/(Decrease) in Non Current Provisions	(45.74)	90.89
Increase/(Decrease) in Current Provisions	54.35	(44.90)
Increase/(Decrease) in Trade Payables	674.26	364.25
Increase/(Decrease) in Other Current Financial Liabilities	220.67	(20,277.69)
Increase/(Decrease) in Other Current Liabilities	36.64	(2.86)
Decrease/(Increase) in Non-Current Investment	-	0.15
Decrease/(Increase) in Non Current Assets	-	406.18
Decrease/(Increase) in Other Non-Current Assets	421.08	(1,095.82)
Decrease/(Increase) in Inventories	(244.45)	217.60
Decrease/(Increase) in Trade Receivables	264.79	317.73
Decrease/(Increase) in Current Assets	-	160.95
Decrease/(Increase) in Other Current Financial Assets	-	-
Decrease/(Increase) in Other Current Assets	(590.78)	16.42
<b>Cash Generated from / (used in) Operating Activities</b>	<b>1,521.70</b>	<b>24,130.25</b>
Tax Expense	41.48	(39.17)
<b>Net Cash Flow from/(used in) Operating Activities (A)</b>	<b>1,563.18</b>	<b>24,091.09</b>
<b>B. Cash Flow from Investing Activities :</b>		
Interest Income	111.85	195.61
Addition to Tangible Fixed Assets	(4,667.96)	(321.04)
Addition to Intangible Fixed Assets	(3.35)	(38.46)
Sale of Tangible Fixed Assets	5.34	4.00
<b>Net Cash flow from/(used in) Investing activities ( B )</b>	<b>(4,554.11)</b>	<b>(159.89)</b>

**Cash Flow Statement** for the year ended 31st March, 2019 (contd.)

(Rs.in lacs)

PARTICULARS	FOR THE YEAR ENDED 31.03.2019	FOR THE YEAR ENDED 31.03.2018
<b>C. Cash Flow from Financing Activities :</b>		
Proceeds from Equity Shares	-	(2,831.35)
Proceeds from Long term Borrowings	1,252.68	1,617.65
Proceeds from Short term Borrowings	253.89	(20.86)
Exceptional Items	-	(21,457.66)
Interest Expense	(881.31)	(797.06)
<b>Net Cash Flow from Financing Activities ( C )</b>	<b>625.26</b>	<b>(23,489.28)</b>
<b>Net Increase / ( Decrease ) in Cash &amp; Cash Equivalents ( A+B+C )</b>	<b>(2,365.67)</b>	<b>441.91</b>
<b>Closing Balance of Cash &amp; cash Equivalents</b>	911.58	3,277.25
<b>Opening Balance of Cash &amp; cash Equivalents</b>	3,277.25	2,835.34
<b>Net Increase / ( Decrease ) in Cash &amp; Cash Equivalents</b>	<b>(2,365.67)</b>	<b>441.91</b>

**Notes :**

- The above Cash Flow Statement has been prepared under the " Indirect Method " as set out in Indian Accounting Standard (Ind AS) -7 on Statement of Cash Flows.
- Additions to Fixed Assets include movement of Capital Work in Progress during the year.
- Proceeds from Long Term Borrowings are shown net of repayments.
- Figures in brackets represent cash outflow from respective activities.
- Cash & Cash Equivalents do not include any amount which is not available to the Company for its use.
- As breakup of Cash & Cash Equivalents is also available in Note No.9, 10 reconciliation of items of Cash & Cash Equivalents as per Cash Flow Statement with the equivalent items reported in the Balance Sheet is not required and hence not provided.

The accompanying notes 1 to 45 are an integral part of these financial statements

As per our report of even date

For **KHANDELWAL RAY & CO**

Chartered Accountants

FR NO.302035E

**CA. P. SARKAR**

Partner

Membership No.051449

Kolkata

Dated: 27th May 2019

For and on behalf of Board of Directors

**Sunil Khaitan**

Managing Director

**Dipak Dasgupta**

Director

**S.J. Sengupta**

President & CFO

**S.K.Kejriwal**

Company Secretary

## Notes to Financial Statements for the year ended 31st March, 2019

### 1. BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

#### 1.1 BASIS OF PREPARATION AND MEASUREMENT

##### (a) Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently presented in the financial statements. All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes in these financial statements.

The financial statements of the Company for the year ended 31st March, 2019 were approved for issue in accordance with the resolution of the Board of Directors on 27th May, 2019.

##### (b) Basis of measurement

These financial statements are prepared under the historical cost convention unless otherwise indicated.

#### 1.2 KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

- (a) Measurement of defined benefit obligations – Note-42
- (b) Measurement and likelihood of occurrence of provisions and contingencies – Note-32.and
- (c) Recognition of deferred tax assets – Note-34

#### 1.3 SIGNIFICANT ACCOUNTING POLICIES :

##### a) Recognition of Income & Expenditure:

Income and Expenditure are recognised on accrual basis. Effective from 1 April, 2018 the Company has adopted Ind AS 115 "Revenue from Contracts with Customers".

##### b) Property, Plant and Equipment:

Property, plant and equipment are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

## Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

Depreciation is provided on a pro-rata basis on the straight line method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013.

- Assets costing ₹ 5,000 or less are fully depreciated in the year of purchase.

Freehold land is not depreciated.

Leasehold land: Cost of Leasehold Land and installation and other expenses incurred on Machineries taken on lease are amortized over the period of the respective lease.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

Upon first-time adoption of Ind AS, the Company has elected to measure all its property, plant and equipment at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., 1st April, 2017.

### b) Intangible Assets:

Separately purchased intangible assets are initially measured at cost. Intangible assets acquired in a business combination are recognized at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortized on a straight-line basis over the period of their expected useful lives. Estimated useful lives by major class of finite-life intangible assets are as follows:

Patent - 20 years

Know-how - 5 years

Computer software - 5 years

The amortization period and the amortization method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate.

Indefinite life intangibles mainly consist of patents. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues, if not, it is impaired or changed prospectively basis revised estimates.

### c) Inventories:

Inventories are stated at 'cost or net realisable value, whichever is lower'. Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used are 'Weighted Average Cost'. As per consistent practice, qualitative deterioration of old stocks are recognised by way of value reduction of such items.

### d) Financial Instruments:

#### Financial Assets:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit and loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified as measured at

- amortized cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

## Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

### Cash and Cash Equivalents:

Cash and cash equivalents are short-term (twelve months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

### Investments:

Long Term Investments are carried at cost and Provision for impairment is made to recognise a decline, other than temporary, in the value of long term investments, script wise.

### Trade Receivables and Loans:

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortized cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

### Debt Instruments:

Debt instruments are initially measured at amortized cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

#### a) Measured at amortized cost:

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortized cost using the effective interest rate ('EIR') method less impairment, if any. The amortization of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

#### b) Measured at fair value through other comprehensive income:

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to other income' in the Statement of Profit and Loss.

#### c) Measured at fair value through profit or loss:

A financial asset not classified as either amortized cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

### Equity Instruments:

All investments in equity instruments classified under financial assets are initially measured at fair value; the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument are recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

## Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

### Derecognition:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

### Impairment of Financial Asset:

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category. For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall. The impairment losses and reversals are recognised in Statement of Profit and Loss.

### Financial Liabilities:

#### Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortized cost, using the effective interest method.

#### Subsequent measurement

Financial liabilities are subsequently measured at amortized cost using the EIR method. Financial liabilities carried at fair value through profit or loss and are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

### Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

#### e) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered probable. Contingent Liabilities are shown by way of Notes to Accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is not considered probable, hence not provided for. Contingent assets are not recognised in the accounts.

#### f) Revenue Recognition:

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as sales tax, value added tax, etc.

Income from export incentives such as duty drawback and premium on sale of import licenses, and lease license fee are recognised on accrual basis.

Income from services rendered is recognised based on agreements/arrangements with the customers as the service is performed in proportion to the stage of completion of the transaction at the reporting date and the amount of revenue can be measured reliably.



## Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

### g) Employee Benefits:

#### Defined benefit plans

Defined benefit plans, the amount recognised as 'Employee benefit expenses' in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the year and the costs of individual events such as past/future service benefit changes and settlements (such events are recognised immediately in the Statement of Profit and Loss). The amount of net interest expense calculated by applying the liability discount rate to the net defined benefit liability or asset is charged or credited to 'Finance costs' in the Statement of Profit and Loss. Any differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

The defined benefit plan surplus or deficit on the Balance Sheet comprises the total for each plan of the fair value of plan assets less the present value of the defined benefit liabilities (using a discount rate by reference to market yields on government bonds at the end of the reporting period).

All defined benefit plans obligations are determined based on valuations, as at the Balance Sheet date, made by independent actuary using the projected unit credit method. The classification of the Company's net obligation into current and non-current is as per the actuarial valuation report.

### h) Foreign Currency Transactions:

- a) Transactions in Foreign currency are initially recorded at the exchange rate at which the transaction is carried out.
- b) Monetary Financial Assets and Liabilities related to foreign currency transactions remaining outstanding at the year end are translated at the year end rates.
- c) Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.
- d) Any income or expense on account of exchange difference either on settlement or on translation at the year end is recognized in the Statement of Profit & Loss.
- e) In case of items which are covered by forward exchange contracts, the difference between the yearend rate and the rate on the date of the contract is recognized as exchange difference. The premium or discount on forward exchange contracts is recognized over the period of the respective contract.

#### i) Research & Development Expenditure:

Revenue expenditure is charged to Statement of Profit & Loss and Capital expenditure is added to the cost of fixed assets in the year in which it is incurred.

#### j) Borrowing Costs:

Borrowing Costs that are attributable to the acquisition or construction of qualifying non financial assets are capitalised as part of the cost of such assets. A qualifying such asset is one that necessarily takes a substantial period of time to get ready for intended use. All other borrowing costs are charged to Statement of Profit and Loss in the period in which they are incurred.

#### k) Income Taxes:

Income-tax expense comprises Current tax and Deferred tax charge or credit. Provision for current tax is made on the assessable income at the tax rate applicable to the relevant assessment year. The Deferred tax Asset and Deferred tax Liability is calculated by applying tax rate and tax laws that have been applicable to the relevant assessment year. The Deferred tax Asset and Deferred tax Liability is calculated by applying tax rate and tax laws that have been depreciation under tax laws, are recognised only if there is a virtual certainty of its realization, supported by convincing evidence. Deferred tax Assets on account of other

## Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

timing differences are recognised only to the extent there is a reasonable certainty that the assets can be realized in future.

### l) **Impairment of Non Financial Assets:**

Impairment loss, if any, is recognised to the extent, the carrying amount of assets exceed their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amount of assets to the extent that it does not exceed the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

After impairment, depreciation or amortization on assets is provided on the revised carrying amount of the respective asset over its remaining useful life.

### m) **Operating Cycle:**

All Financial Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies' Act, 2013. Based on the nature of services provided and time between the rendering of services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as less than 12 months for the purpose of current and non-current classification of financial assets and liabilities.

### n) **Cash flow statement:**

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

### o) **Segment Reporting:**

Segments are identified based on the dominant source and nature of risks and returns and the internal organization and management structure. The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. In addition, the following specific accounting policies have been followed for segment reporting:

- (a) Inter segment revenue is accounted for based on the transaction price agreed to between segments which is primarily market led.
- (b) Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been disclosed as "Un-allocable".

## Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

### A. NON-CURRENT ASSETS

#### 2. Property, Plant & Equipments

(Rs.in lacs)

DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRECIATION			IMPAIRMENT			NET BLOCK	
	Balance as at 01.04.2018	Addition	Disposals	Balance as at 31.03.2019	For the Year	Disposals	Balance as at 31.03.2019	Reversed during the Year	Balance as at 01.04.2018	Balance as at 31.03.2019	Balance as at 01.04.2018
<b>LAND</b>											
Freehold	7.18	-	-	7.18	-	-	-	-	-	7.18	7.18
Leasehold	9.06	-	-	9.06	0.11	-	3.27	-	-	5.79	5.90
<b>BUILDING</b>	2,129.15	49.01	-	2,178.15	57.61	-	714.13	-	-	1,464.02	1,472.63
Leasehold	49.26	-	-	49.26	0.69	-	18.62	-	-	30.64	31.33
<b>PLANT AND EQUIPMENTS</b>	13,326.86	3,167.10	7.58	16,486.38	379.62	7.20	10,954.57	-	-	5,531.81	2,744.71
FURNITURE AND FIXTURES	462.14	21.03	6.34	476.83	14.64	3.48	361.78	-	-	115.05	111.52
VEHICLES	161.46	16.19	21.24	156.40	15.68	15.32	78.20	-	-	78.20	83.62
OFFICE EQUIPMENTS	98.44	3.28	-	101.72	7.24	6.40	74.73	-	-	26.99	24.56
OTHERS											
Computers	359.73	15.71	-	375.44	15.68	(7.56)	334.31	-	-	41.13	48.66
<b>TOTAL</b>	16,603.27	3,272.30	35.16	19,840.41	491.28	24.83	12,539.61	-	-	7,300.81	4,530.11
<b>PREVIOUS YEAR</b>	16,614.64	245.19	256.55	16,603.27	527.26	243.43	12,073.16	-	-	4,530.11	

**Note :** 1. Building include Rs.2.34 lacs being cost of co-ownership flats. ( Previous Year Rs.2.34 lacs )

2. Fixed Assets include assets taken on hire purchase system after 01.04.2012

Vehicles Gross Block Rs.105.07 lacs ( Previous Year Rs.102.26 lacs ) and Net Block Rs.61.84 lacs ( Previous Year Rs.64.05 lacs).

3. Details of Minimum Hire Purchase Payments and their Present Value.

Particulars	As at 31.03.2019			As at 31.03.2018		
	Min.HP Payment	Present Value	Min.HP Payment	Present Value	Min.HP Payment	Present Value
a) Not later than one year	12.24	12.02	15.53	11.69		
b) Later than one year and not later than five years	-	21.30	-	20.61		
c) Later than five years	-	-	-	-		

### Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

#### 3. Capital Work in progress

(Rs.in lacs)

Description	Balance as at 01.04.2018	Addition during the year	Deduction during the year	Balance as at 31.03.2019
	Capital Work in progress Plant & Machinery	696.61	4,725.93	3,330.28
<b>Total</b>	<b>696.61</b>	<b>4,725.93</b>	<b>3,330.28</b>	<b>2,092.26</b>

#### 4. Other Intangible Assets

DESCRIPTION OF ASSETS	GROSS BLOCK			AMORTISATION			IMPAIRMENT			NET BLOCK	
	Balance as at 01.04.2018	Addition	Disposals	Balance as at 31.03.2019	For the Year	Disposals	Balance as at 01.04.2018	Reversed during the Year	Provided during the year	Balance as at 31.03.2019	Balance as at 01.04.2018
<b>COMPUTER SOFTWARE</b>											
-Acquired	111.31	3.35	-	114.65	13.53	-	58.20	-	-	-	53.10
<b>PATENTS</b>											
-Acquired	20.30	-	-	20.30	-	-	20.30	-	-	-	-
<b>TECHNICAL KNOWHOW</b>											
-Acquired	215.21	-	-	215.21	-	-	215.21	-	-	-	-
<b>TOTAL</b>	<b>346.82</b>	<b>3.35</b>	<b>-</b>	<b>350.17</b>	<b>13.53</b>	<b>-</b>	<b>293.71</b>	<b>-</b>	<b>-</b>	<b>42.92</b>	<b>53.10</b>
<b>PREVIOUS YEAR</b>	<b>308.36</b>	<b>38.46</b>	<b>-</b>	<b>346.82</b>	<b>9.02</b>	<b>-</b>	<b>284.70</b>	<b>-</b>	<b>-</b>	<b>53.10</b>	<b>-</b>

## Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

(Rs.in lacs)

A. NON-CURRENT ASSETS		As at 31st March, 2019		As at 31st March, 2018	
5.	<b>Investments</b>				
a)	<b>Investment Property</b>		-		-
a)	<b>Equity instruments</b>				
	<b>Bodies Corporate:</b>				
	<b>Fair value through Other Comprehensive Income</b>				
	<b>Quoted Fully Paid Up</b>				
	i) Anil Special Steel Industries Ltd. 111,705 Equity Shares of Rs.10/- each. (Including 10,155 Equity Shares received as Bonus in earlier years)	26.52		26.52	
	ii) Pamwi Tissues Ltd 260,130 Equity Shares of Rs.10/- each.	13.28		13.28	
	iii) Sumangala Investment Co. Ltd. 4,200 Equity Shares of Rs.10/- each.	0.42		0.42	
			40.23		40.23
	<b>Un-Quoted Fully Paid Up.</b>				
	i) Shalimar Impel Ltd. 1,000 Equity Shares of Rs.10/- each.	0.10		0.10	
	ii) Satya Sons Services Ltd. 2,000 Equity Shares of Rs.10/- each.	0.20		0.20	
			0.30		0.30
			40.53		40.53
b)	<b>Investments in Govt. or Trust Securities</b>				
	7 Year National Savings Certificate. (Lodged with Govt. Authorities)		0.13	0.13	0.13
c)	<b>Investments in Debentures or Bonds</b>		-		-
d)	<b>Investments in Mutual Funds</b>		-		-
e)	<b>Investments in Partnership Firms</b>		-		-
h)	<b>Other Non-Current Investment</b>		-		-
			40.66		40.66
	Less: Amount of Impairment in value of Investments		39.13		39.13
	<b>Total</b>		<b>1.53</b>		<b>1.53</b>

**Note:** All the above investments are stated at cost. Provision for impairment is made to recognise a decline, other than temporary, in the value of long term investments, script wise.

Aggregate Value of Quoted Investments		40.23		40.23
Market Value of Quoted Investments		1.40		1.40
Aggregate Value of Un-Quoted Investments		0.43		0.43
Aggregate Amount of Impairment in value of Investments		39.13		39.13

## Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

(Rs.in lacs)

		As at 31st March, 2019		As at 31st March, 2018	
<b>6.</b>	<b>Other Non-Current Assets</b>				
a)	Capital Advance		298.89		503.85
b)	Advances Other than Capital Advance				
	Security Deposit		180.28		176.90
	Advance to Related Parties		-		-
	Other Advances				
	Taxes & Duties Paid Under Protest	35.19		41.97	
	Advance Income Tax	82.51		123.99	
	Advance against Salary & Wages	107.71		82.85	
	Miscellaneous	-	225.41	-	248.82
c)	Others		405.69		425.71
	Secured, Considered Goods:		-		-
	Unsecured, Considered Goods:				
	Export Entitlement		-		242.14
	Claim Receivable		20.70		27.63
	<b>Total</b>		<b>725.27</b>		<b>1,199.32</b>

**B. CURRENT ASSETS**

<b>7.</b>	<b>Inventories</b> (Valued at lower of cost or net realizable value)				
a)	Raw Materials		969.44		768.34
b)	Work in Progress		1,056.97		1,066.22
c)	Finished Goods		71.89		95.27
d)	Stores & Spares		639.89		565.15
e)	Others				
	Scrap		2.26		1.01
	<b>Total</b>		<b>2,740.45</b>		<b>2,496.00</b>

<b>8.</b>	<b>Trade Receivables</b>				
	Secured, Considered Goods:				
	Unsecured, Considered Goods:				
	Outstanding for a period exceeding six month		594.55		704.64
	Other Debts				
			2,207.50		2,577.51
			2,802.05		3,282.14
	Credit Risk				
	Outstanding for a period exceeding six month		485.51		270.20
	Less: Provision for Credit Impaired		270.20		270.20
	<b>Total</b>		<b>3,017.36</b>		<b>3,282.14</b>

**Note:** Trade Receivable- Credit Risk represent receivables in respect of which the management has taken appropriate steps to identify and examine each case in details and depending on merits of the case necessary action would be taken by the management.

## Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

(Rs.in lacs)

		As at 31st March, 2019		As at 31st March, 2018	
<b>9.</b>	<b>Cash and Cash Equivalent</b>				
a)	Balances with Banks				
	Current Account	256.77		399.63	
	Fixed Deposit	-	256.77	2,559.70	2,959.33
b)	Cash on hand		19.22		14.15
	<b>Total</b>		<b>275.99</b>		<b>2,973.49</b>
<b>10.</b>	<b>Bank Balances other than Cash and Cash Equivalents</b>				
	Deposits under lien with banks				
	Fixed Deposit (Lodged with Bank as Margin)				
	i) Maturity period more than 12 months	635.59		303.76	
			635.59		303.76
	<b>Total</b>		<b>635.59</b>		<b>303.76</b>
<b>11.</b>	<b>Other Current Assets</b>				
a)	<b>Advance Other than Capital Advance</b>				
i)	<b>Other Advances</b>				
	Advance to Suppliers & Others	280.61		243.01	
	GST Receivable:	558.40		12.83	
	VAT receivable	3.52		3.52	
	Custom Duty Receivable	1.47		-	
	Prepaid Expenses	14.46		21.15	
	Miscellaneous	44.66		31.84	
	Interest Receivable	5.51		5.50	
	Misc. Exp. Not Written Off	-	908.63	-	317.86
	<b>Total</b>		<b>908.63</b>		<b>317.86</b>
<b>C</b>	<b>EQUITY</b>				
<b>12.</b>	<b>Share Capital :</b>				
a)	<b>Authorised:</b>				
	i) 50,000,000 Equity Shares of Rs.2 /- each.		1,000.00		1,000.00
	ii) 5,000,000 Preference Shares of Rs.100/- each		5,000.00		5,000.00
	<b>Total</b>		<b>6,000.00</b>		<b>6,000.00</b>
b)	<b>Issued, Subscribed &amp; Paid Up:</b>				
i)	<b>Equity Shares Fully Paid Up:</b>				
	42,755,123 Equity Shares of Rs.2 /-each.		855.10		855.10
	<b>Total</b>		<b>855.10</b>		<b>855.10</b>

## Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

(Rs.in lacs)

### c) Reconciliation of the number of Equity Shares Outstanding:

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Nos	Nos	Nos	Nos
<b>Number of Shares outstanding at the beginning of the year.</b>		4,27,55,123		3,76,05,123
Add: Number of shares allotted as fully paid up during the year to lenders on conversion of loan into share capital without payment being received in cash.		-		51,50,000
<b>Number of Shares outstanding at the end of the year.</b>		<b>4,27,55,123</b>		<b>3,76,05,123</b>

### d) Reconciliation of the number of Preference Shares Outstanding:

Particulars	As at 31st March, 2019			As at 31st March, 2018		
	Nos	Nos	Nos	Nos	Nos	Nos
<b>Number of Shares outstanding at the beginning of the year.</b>			-			29,34,349
Less: Number of shares redeemed during the year.			-			29,34,349
<b>Number of Shares outstanding at the end of the year.</b>			-			-

### e) Reconciliation of the number of Preference Shares Outstanding:

Name of Shareholders	As at 31st March, 2019		As at 31st March, 2018	
	Number of Shares held Nos	% of Share held Nos	Number of Shares held Nos	% of Share held Nos
Sunita Khaitan	1,01,18,900	23.67	1,01,18,900	23.67
Reliance Sheet Works Pvt Ltd	72,51,481	16.96	72,51,481	16.96
Amit Commercial Co.Ltd	72,30,132	16.91	72,30,132	16.91
Asset Reconstruction Company (India) Ltd	1,11,00,000	25.96	1,11,00,000	25.96

f) 11,100,000 fully paid Equity Shares of Rs.2/- have been issued at par to ARCIL towards conversion of part of the term loan and outstanding interest without payment being received in cash.

### g) Rights, Preferences and Restrictions attached to shares:

- i) Each Equity Share holder holding shares of Rs.2/- each is eligible for one vote per share held and are entitled to receive dividends as declared from time to time. In the event of liquidation the equity shares holders are eligible to receive the remaining assets of the Company after distribution of all preferential creditors in proportion to their Shareholdings.



## Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

(Rs.in lacs)

### 13 Other Equity

Refer Statement of Changes in Equity for detailed movement in Equity balance.

#### A. Summary of Other Equity balance

PARTICULARS	Number of Shares held Nos	% of Share held Nos	Number of Shares held Nos	Balance as at 31st March, 2019
General Reserve	287.63	-	-	287.63
Retained Earnings	3,947.23	(512.99)	-	3,434.24
Items of Other Comprehensive Income				
Remeasurement of Defined Benefit Plan	43.97	(21.24)		22.72
Fair value of Equity Instruments through OCI	(0.53)	-		(0.53)
<b>Total</b>	<b>4,278.30</b>	<b>(534.23)</b>	-	<b>3,744.07</b>

#### B. Nature and purpose of reserves

- General Reserve:** General Reserve was created in the past by way of appropriation of profits of the Company. This is a free reserve and can be utilised for any general purpose like for issue of bonus shares, payment of dividend, buy back of shares etc.
- Retained Earnings:** Retained earnings are the profits that the Company has earned till date, less any loss incurred, any transfers to general reserve, dividends or other distributions paid to shareholders.
- Equity Instruments through Other Comprehensive Income:** The fair value change of the equity instruments measured at fair value through other comprehensive income is recognised in equity instruments through Other Comprehensive Income. Upon derecognition, the cumulative fair value changes on the said instruments are reclassified to the Statement of Profit and Loss.

#### C. Other Comprehensive Income accumulated in Other Equity, net of tax

The disaggregation of changes in other comprehensive income by each type of reserve in equity is shown below:

Particulars	Remeasurements of defined benefit plans	Equity instruments through Other Comprehensive Income	Total
<b>As at 31st March 2018</b>	<b>43.97</b>	<b>(0.53)</b>	<b>43.44</b>
Remeasurement gain/(loss) on defined benefit plans	(21.24)	-	(21.24)
Gain/(loss) on Equity Instruments recognised in other comprehensive income	-	-	-
Reclassified to Statement of Profit and Loss	-	-	-
Income tax effect			-
<b>As at 31st March 2019</b>	<b>22.72</b>	<b>(0.53)</b>	<b>22.20</b>

#### D. Capital Management

Equity share capital and other equity are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgment of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The management and the Board of Directors monitor the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

## Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

(Rs.in lacs)

D NON-CURRENT LIABILITIES		As at 31st March, 2019		As at 31st March, 2018	
14	<b>Borrowings:</b>				
a)	<b>Debentures</b>				
	<b>Secured</b>				
	i) 350,000 19% Redeemable Non-Convertible Debenture of Rs.100/- each privately placed with The New India Assurance Co. Ltd. (NIA)	21.46		21.46	
	ii) 100,000 19% Redeemable Non-Convertible Debentures of Rs.100/- each privately placed with The Oriental Insurance Co. Ltd. (OIC)	89.89		89.89	
	iii) 100,000 20% Redeemable Non-Convertible Debentures of Rs.100/- each privately placed with NIA.	105.46		105.46	
	iv) 506,662 14% Redeemable Debentures of Rs.30/-each. (Non-Convertible Portion)	151.92		152.00	
	v) 47,037 14% Redeemable Debentures of Rs.20/- each. (Non-Convertible Portion)	9.41		9.41	
	vi) 7,089 14% Redeemable Debentures of Rs.10/- each.(Non-Convertible Portion)	0.71		0.71	
		162.04		162.12	
	Less: Allotment Money in arrear.	-		-	
	Less: Unpaid Matured Debenture -Refer Note No-20(d)				
	Transfer to Investor Protection Fund	151.92		152.00	
	Other Overdue Debenture	10.12		10.12	
			<b>216.81</b>		<b>216.81</b>
b)	<b>Term Loan :</b>				
	<b>i) From Banks / Financial Institutions</b>				
	<b>Secured:</b>				
	Kotak Mahindra Bank Ltd.	1,584.96		1,800.00	
		1,584.96		1,800.00	
	Less: Overdue Portion of Long Term Debt	-		-	
	Less: Current maturity of Long Term Debt (Refer Note -20(a))	622.21	<b>962.75</b>	98.74	<b>1,701.26</b>
	<b>ii) Other Parties</b>				
	<b>Secured:</b>				
	Magma Housing Finance Ltd.	661.13		761.98	
		661.13		761.98	
	Less: Overdue Portion of Long Term Debt	-		-	
	Less: Current maturities of Long Term Debts	208.40	452.72	208.40	553.58
	<b>Unsecured:</b>				
	Body Corporate	6,116.22		4,017.63	
	Sales Tax Loan (Under Sales Tax Deferral and other Schemes)	-		316.64	
		6,116.22		4,334.27	
	Less: Overdue Portion of Long Term Debt	-		316.64	
	Less Current maturities of Long Term Debts (Refer note no 20 (a))	-		-	
		6,116.22	<b>6,116.22</b>	4,017.63	
			<b>7,531.69</b>		<b>6,272.46</b>

## Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

(Rs.in lacs)

D	NON-CURRENT LIABILITIES	As at 31st March, 2019			As at 31st March, 2018		
c)	Loans from Related Parties: Unsecured:			13.75			16.75
d)	Long Term Maturities of Finance Lease.(CAR) Secured:						
	HDFC Bank Ltd	30.21			33.43		
		30.21			33.43		
	Less Current maturities of finance lease (Refer Note-20(b))	12.02	18.19		11.69	21.74	
				18.19			21.74
	<b>Total</b>			<b>7,780.44</b>			<b>6,527.76</b>

**NOTES:****Terms of Redemption / Repayment:****a) Debentures.**

- i) In respect of Note-14(a) (i) to (iii) above, the Company is in active negotiation with New India Assurance (NIA) and Oriental Insurance Company (OIC) for the settlement of their dues and expect the necessary settlement to take place soon. For the said purpose, a Fund has been kept in the form of Fixed Deposit (FD) for the settlement of the said due. Awaiting their response.
- ii) In respect of Note-14(a) (iv) to (vi) above, the Company is in process of depositing the Principal outstanding amount of the said Debentures to the Investor Education and Protection fund during the Financial Year 2019-2020.
- iii) In respect of Note-14(a)(iv) above, payment has been made during the year for Rs. 0.08 lacs (Previous Year Rs. 0.07 lacs)

**b) Term Loans:**

- i) During the financial year 2017-18 Kotak Mahindra Bank Ltd. (KMBL), pursuant to their Sanction letter dated 13.02.2018, sanctioned credit facilities of Rs 32 crore overall segregated into (a) a Term Loan of Rs.20 crores (with a sublimit of Rs.5 crores towards cash credit facilities) and (b) non-fund facility towards Letter of Credit of Rs.12 crores to the Company. The Term Loan is repayable in 60 monthly instalments with a moratorium of one year as to the principal amount. The Letters of Credit are proposed to be utilised for import of machineries for the proposed expansion project. During the year ended March 31, 2018 the Company availed Rs.18 crores out of the sanctioned Term

**Loan for settlement of dues to ARCIL.**

- ii) Subsequently, pursuant to the Order of the Hon'ble High Court of Kolkata dated 17th April, 2018 the State Bank of India has released accumulated balance of Rs 25.99 crore (including interest and net of charges), being sale proceeds of assets kept deposited in No-lien account of SBI so far. Consequently, the Company has repaid Rs 18 crore to KMBL (out of amount released by SBI) and balance utilised to pay of pending statutory liabilities.
- iii) Post repayment, on being approached by the Company to support the Expansion plan currently being envisaged by the Company in lying with the erstwhile Draft Rehabilitation Scheme, KMBL, vide Sanction letter dated 21/5/2018, and 20/11/2018, has revised their Sanction letter dated 13/02/2018 and sanctioned overall credit facilities of Rs.49.46 crores (including Forex Fwd LER of Rs. 4 crores) segregated into (a) Term Loan of Rs. 18.46 crores (b) Working Capital Limit of Rs. 5 crore and (c) LC limit of Rs.22 crore backed up by a Term Loan of Rs.22 crores. Term Loan of Rs. 9.46 crores is against Capex repayable in 60 monthly instalments and balance Rs.9 crores is against GST payable on purchase of machineries and is repayable in 36 monthly instalments.

## Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

(Rs.in lacs)

Minimum upfront cash margin of 10% and additional margin of 1.5% of the LC amount is required to be built up monthly in respect of the LC facilities. The Company has availed Term Loan of Rs. 16.37 crores out of Rs.18.46 crores for Capex including GST and LC facilities of Rs 16.31crore during the year for purchase of imported machineries.

- iv) Unsecured loans from promoters Rs. 13.75 lacs and certain bodies corporate Rs.11.25 lacs are repayable after the repayment of all settled dues of secured creditors are made pursuant to the Rehabilitation Scheme sanctioned by its Order dated 10th June'2010 of the erstwhile BIFR. As per the said sanctioned scheme of erstwhile BIFR, no interest is payable on above loans. Also refer to (i) above.
- v) Loan from Magma Housing Finance Ltd. is repayable in 85 equated monthly installments (EMI) commencing from 31.08.2016.
- c) **Finance Lease:**  
In respect of Note-14(d) above, repayable in monthly installments from June 2014 to March,2023 for respective cars covered under above lease.

### Nature of Security:

#### a) Debentures.

- i) The aforesaid debentures have been secured by a First mortgage and charge, ranking pari passu, by execution of Debenture Trust Deed on certain immovable and movable properties of the Company. They are also secured by a second mortgage and charge on the immovable and movable assets of the Company at Uttarpara and Nasik ( save and except book debts) both present and future but excluding assets purchased / to be purchased under Deferred Payment Scheme and equipments purchased / to be purchased against Rupee and Foreign Currency Loans granted / to be granted by Financial Institution subject, however, to prior charges created /to be created in favour of the Company's bankers on stocks and receivables for securing borrowings for working capital requirements.

#### b) Term Loans:

- i) Term Loan from Kotak Mahindra Bank Ltd., is secured by first and exclusive charge on all existing and future movable and immovable fixed and current assets of the company.
- ii) Term Loan from Magma Housing Finance Ltd. of Rs.661.13 lacs (Previous Year Rs.761.98 lacs) is secured by mortgage of personal property of promoter director and personal guarantee of promoter director and his family.

#### c) Finance Lease:

In respect of Note-14(d) above the aforesaid leases are secured by the hypothecation of the cars.

### Period and amount in continuing default:

Nature Of Loans	As at 31st March, 2019		As at 31st March, 2018	
	Amount of Default Rs.	Due Since Rs.	Amount of Default Rs.	Due Since Rs.
<b>ii) Unsecured Term Loan</b>				
Sale Tax Loan (Under Sales Tax Deferral & Other Scheme)			67.33	Mar'2010
Do			67.33	Mar'2011
Do			67.33	Mar'2012
Do			67.33	Mar'2013
Do			67.33	Mar'2014
<b>Total</b>	-		<b>336.64</b>	

## Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

(Rs.in lacs)

		As at 31st March, 2019		As at 31st March, 2018	
15.	<b>Other Financial Liabilities</b>				
	Sales Tax in connection Leased Assets sales		-		43.43
	<b>Total</b>		-		<b>43.43</b>
16.	<b>Provisions</b>				
a)	<b>Provision for Employees Benefits.</b>				
	Gratuity	428.15		438.20	
	Leave Encashment (Refer note-42)	167.38	595.53	181.83	620.03
b)	<b>Others.</b>				
	Debenture Premium	13.75		13.75	
	Provision for Contingencies (Refer Note-41)	3.50	17.25	3.50	17.25
	<b>Total</b>		<b>612.78</b>		<b>637.28</b>
17.	<b>Other Non-Current Liabilities:</b>				
	Accrued Expenses		213.19		216.64
	<b>Total</b>		<b>213.19</b>		<b>216.64</b>
E.	<b>CURRENT LIABILITIES</b>				
18.	<b>Borrowings:</b>				
a)	<b>Loan Repayable on Demand.</b>				
	<b>i) From Banks</b>				
	<b>Secured:</b>				
	Overdraft Current Account	369.92		110.92	
	Unsecured:	-	369.92	-	110.92
	<b>b) Loans from Related Parties:</b>		369.92		110.92
	<b>Unsecured:</b>		-	5.12	
	<b>Total</b>		<b>369.92</b>		<b>116.04</b>
	<b>Note:</b>				
	<b>Nature of Security:</b>				
	The aforesaid Overdraft Current Account has been secured by first and exclusive charge on all existing and future movable and immovable fixed and current assets of the company.				
19.	<b>Trade Payable:</b>				
	Total Outstanding Dues of Micro and Small Enterprises		35.71		37.13
	Total Outstanding Dues of Other than Micro and Small Enterprises		2,183.62		1,507.94
	<b>Total</b>		<b>2,219.33</b>		<b>1,545.07</b>

## Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

(Rs.in lacs)

**Note:**

- i) Amount dues to suppliers are subject to confirmation of the parties.
- ii) The Company has amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 ( MSMED Act ) as at 31st March, 2019 as under:

	As at 31st March, 2019		As at 31st March, 2018	
The Principal amount and Interest due thereon remaining unpaid to any supplier as at the end of the year.		35.71		37.13
The amount of Interest paid in terms of Section 16 along with the amount of the payment made to the supplier beyond the appointed day during the year.		165.65		145.81
The amount of interest due and payable for the period of delay payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.		-		-
The amount of Interest accrued and remaining unpaid at the end of the year.		-		-
The amount of Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.		-		-

The information has been given in respect of such vendors to the extent they could be identified as " Micro and Small Enterprise " on the basis of information available with the Company.

	As at 31st March, 2019		As at 31st March, 2018	
<b>20. Other Financial Liabilities:</b>				
a) Current Maturities of Long Term Debts -Refer Note No-14(b)(i) & (ii)		830.61		307.15
b) Current Maturities of Finance Lease Obligations -Refer Note No-14(d)		12.02		11.69
c) Interest Accrued and Due on Borrowings		134.40		120.79
d) Unpaid Matured Debentures and Interest accrued thereon				
Other Overdue Debenture -Refer Note No-14(a)	10.12		10.12	
Investor Education and Protection Fund (Matured Debenture) - Refer Note No-14(a)	151.92		152.00	
Interest Accrued and Due	59.16	221.20	59.19	221.30
e) Other Payables				
Overdue Portion of Long Term Debt (Refer Note No-14(b)(ii))		-	316.64	
		-		316.64
<b>Total</b>		<b>1,198.24</b>		<b>977.57</b>

## Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

(Rs.in lacs)

	As at 31st March, 2019		As at 31st March, 2018	
<b>21. Other Current Liabilities</b>				
Advance from Customers & Others		52.45		60.16
Statutory Liabilities		74.85		54.29
Salary, Wages & Bonus		223.90		276.13
Others		244.38		168.36
<b>Total</b>		<b>595.58</b>		<b>558.94</b>
<b>22. Provisions:</b>				
a) Provision for Employees Benefits				
Gratuity	70.39		36.40	
Leave Encashment	81.75	152.13	61.38	97.78
(Refer Note-42)				
<b>Total</b>		<b>152.13</b>		<b>97.78</b>
<b>23. Revenue from Operations</b>				
a) Sale of Products (Net of GST)		11,467.44		10,748.05
b) Other Operating Revenues				
Export Entitlement	36.47		32.53	
Conversion Charges Realisation	-		-	
Scrap Sale*	30.64	67.10	26.09	58.61
<b>Total</b>		<b>11,534.55</b>		<b>10,806.67</b>
<b>Note :</b>				
The Government of India has implemented Goods Service Tax (GST) from 1st July, 2017 replacing of Excise Duty, Service Tax and various other indirect taxes. In accordance with the requirement of Ind As 18, revenue for the year ended 31st March, 2019 is reported net of GST and as such the revenue for the year ended 31st March, 2019 is not comparable with the revenues reported in the previous year ended 31st March, 2018.				
<b>24. Other Income</b>				
a) Interest Income		111.85		195.61
b) Other Non-Operating Income (Net):		221.93		135.88
<b>Total</b>		<b>333.78</b>		<b>331.49</b>
<b>25. Cost of Materials Consumed</b>				
Raw Materials Consumed		3,511.89		3,195.84
<b>Total</b>		<b>3,511.89</b>		<b>3,195.84</b>
<b>Note :</b>				
i) Consumption of Raw Materials reported of after adjustment of Inter Unit stock transfer.				
ii) Obsolete stock of Raw Materials Rs.6.39 lacs have been scrapped during the year and valued at scrap value for Rs.0.60 lacs. Effect of loss for such scrapping of materials Rs.5.79 lacs remain included in Raw Material consumption.				

## Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

(Rs.in lacs)

	As at 31st March, 2019		As at 31st March, 2018	
<b>26 Change in Inventories</b>				
<b>Closing Stock:</b>				
Finished Goods	71.89		95.27	
Work in Progress	1,056.97		1,066.22	
Stock in Trade	-		-	
Scrap	2.26	1,131.11	1.01	1,162.51
<b>Less: Opening Stock:</b>				
Finished Goods	95.27		99.61	
Work in Progress	1,066.22		1,394.18	
Stock in Trade	-		-	
Scrap	1.01	1,162.51	0.37	1,494.17
<b>Increase / ( Decrease ) in Stock</b>		<b>(31.40)</b>		<b>(331.66)</b>

**Note :**

Part of Work in Progress as on 1st April, 2018 Rs.17.08 lacs have been scrapped during the year and such materials valued at scrap value for Rs.1.44 lacs. Effect of loss for such scrapping of materials Rs.15.64 lacs remain adjusted to increase/decrease in Work in Process.

<b>27. Employees Benefits Expense</b>				
Salaries and Wages		2,360.85		2,256.43
Contribution to Provident Fund and Other Funds		121.47		123.23
Staff Welfare Expense		213.64		211.10
<b>Total</b>		<b>2,695.97</b>		<b>2,590.75</b>

**Note :** Salaries and Wages include Rs.10.73 lacs (Previous Year Rs.8.25 lacs) being expenses incurred on Research & Development.

<b>28. Finance Cost</b>				
Interest Expense		881.31		797.06
<b>Total</b>		<b>881.31</b>		<b>797.06</b>

**Note :** Interest Expense includes net interest on the defined benefit obligation under Ind AS-19 (Refer Note No.42)



## Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

(Rs.in lacs)

	As at 31st March, 2019			As at 31st March, 2018		
<b>29. Other Expenses</b>						
Stores & Spare parts consumption			763.75			683.83
Rent			84.59			58.70
Rates & Taxes			830.68			16.40
Insurance			78.62			61.62
Power & Fuel			431.67			427.22
Repairs & Maintenance			765.36			612.01
Travelling & Conveyance			421.05			448.93
Directors' Fees			4.65			4.37
Payments to Auditors			5.11			2.95
Brokerage & Commission			257.86			167.71
Legal and Professional Expenses			333.98			229.83
Freight & Forwarding			118.57			111.65
Loss on Sale of Tangible Assets			4.99			9.12
Debenture Trustee Remuneration			13.50			0.40
Bad Debts Written Off			-			156.80
Sundry Balances Written Off			11.48			606.33
Provision for Doubtful Debt			-			270.20
Prior Period Expenses			5.57			25.47
Miscellaneous Expenses			624.51			633.13
<b>Total</b>			<b>4,755.95</b>			<b>4,526.66</b>
<b>30. Income from Exceptional Items</b>						
a) Waiver of Financial Obligations made during the year by:						
ARCIL			-			18,402
IDBI			-			3,056
<b>Total</b>			-			<b>21,458</b>
<b>31. Other Comprehensive Income</b>						
A.(I) Items that will not be reclassified to profit or loss						-
(ii) Remeasurements of the defined benefit plans;		(21.24)			42.90	
(iii) Equity Instruments through Other Comprehensive Income;		-			(0.15)	
			(21.24)			42.75
<b>Total</b>			<b>(21.24)</b>			<b>42.75</b>

## Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

(Rs.in lacs)

	As at 31st March, 2019		As at 31st March, 2018	
<b>32. Other Disclosures:</b>				
Contingent Liabilities and Commitments. (To the extent not provided for)				
<b>i) Contingent Liabilities</b>				
a) Claim against the company not acknowledged as debt.		77.28		77.28
b) Guarantees		-		-
c) Other money for which the Company is contingently liable.				
Sale Tax Demands	240.10		387.53	
Excise Demands	194.11		227.81	
Municipal Tax Demands	-		18.57	
Non fulfillment of Export Obligation under DEEC Scheme	-		573.25	
Non fulfillment of Export Obligation under ISIL Scheme	-	434.21	-	1,207.16
<b>ii) Commitments</b>				
a) Estimated amount of Contracts remaining to be executed on Capital Account and not provided for. (Net of Advance)		344.12		1,225.22
b) Uncalled liability on shares and other investments partly paid.		-		-
c) Other Commitments		-		-
<b>Total</b>		<b>344.12</b>		<b>1,225.22</b>

**Note :**

- The above Contingent Liabilities for Sale Tax Demands includes demands made by Sale Tax Authorities from time to time, under Appeals.  
As against above demands the Company has deposited Rs.30.76 lacs under protest.
- The above Contingent Liabilities for Excise Demands includes demands made by Central Excise Authorities from time to time, under Appeals.
- A sum amounting to Rs.298.85 lacs has been paid as advance in respect of above contracts remaining to be executed on Capital Account and not provided for.

<b>33. Additional Information</b>				
1.a) Depreciation and Amortization Expense				
Tangible Assets		491.28		527.26
Intangible Assets		13.53		9.02
<b>Total</b>		<b>504.81</b>		<b>536.27</b>
b) Payments to Auditors				
Audit Fees		2.75		1.75
Other Services		2.36		1.20
<b>Total</b>		<b>5.11</b>		<b>2.95</b>

- Current Tax is determined on the basis of the amount of tax payable under the Income Tax Act, 1961, if any. Deferred Tax Liabilities /Assets subject to consideration of prudence are recognized and carried forward only when there is reasonable certainty that sufficient taxable income will be available against which such Deferred Tax Liabilities/Assets can be adjusted.

## Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

(Rs.in lacs)

35. Amounts due in respect of Trade Receivable Rs.3017.36 lacs, and Other Non Current and Current Assets Rs.759.78 lacs, are subject to confirmations. Also amounts due to parties under Non-Current Liabilities, Other Current Liabilities and Trade Payable Rs.8332.55 lacs are subject to confirmation from the respective parties.
36. **Rates & Taxes include:**
- Rs.698.42 lacs being liability for Customs Duty relating to earlier years for non-fulfilment of export obligations paid to Customs Authorities (including Rs.456.28 lacs paid during the year) as admitted and determined by the Company during the year. Differential liability if any, including Interest and Penalty would be provided on receipt of final Assessment Orders and demands from such Authorities.
  - Rs.28.57 lacs paid to Nasik Municipal Corporation as per demands raised by them in earlier years.
  - Rs.42.24 lacs Penalty and other charges paid to Maharashtra Sales Tax Authorities on one-time full and final satelement on their dues.
  - Rs. 30.10 lacs paid to West Bengal Sales Tax Authorities for non-submission of 'C' Forms for the year 2008-09
37. In view of non-availability of profit, Debenture Redemption Reserve has not been created by the Company.
38. Provision for taxation is not considered necessary in view of loss for the year, as also continuation of relevant provisions of the Income tax Act, 1961, read with certain Judicial pronouncements.
39. **Related Party Disclosures under Indian Accounting Standard (Ind As)-24 :**
- Key Management Personnel :**  
Mr. Sunil Kumar Khaitan
  - Relatives of Key Management Personnel :**  
Mr. Vedant Khaitan (Son of Mr Sunil Kumar Khaitan)  
Mr. Dwarka Khaitan (President of Paper machine Wire Industries a unit of Shalimar Wire Industries Ltd)
  - Enterprises over which key management personnel and their relatives are able to exercise significant influence :**  
Shalimar Industries Limited  
Anil Special Steel Industries Ltd

### Details of transactions between the Company and related parties and the status of outstanding balances as on 31st March, 2019 :

Transactions with Related Parties	Enterprises over which significant Influence exists		Key Management Personnel		Relatives to Key Management Personnel		Total	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
<b>Remuneration:</b>								
Mr. Sunil Kumar Khaitan	-	-	57.38	40.64	-	-	57	41
<b>Salary &amp; Other Perquisites</b>								
Mr. Vedant Khaitan					20.06	13.27	20.06	33.33
Mr. Dwarka Khaitan					26.22	23.71	26.22	23.71
<b>Balance Outstanding:</b>								
<b>Inter Corporate Deposit receivable</b>								
Anil Special Steel Industries Ltd.	-	-	-	-	-	-	-	-
Shalimar Industries Limited	-	-	-	-	-	-	-	-
<b>Accounts Receivable:</b>								
Anil Special Steel Industries Ltd.	-	-	-	-	-	-	-	-
Shalimar Industries Limited	4.45	4.45	-	-	-	-	4.45	4.45
Mr. Dwarka Khaitan								
<b>Accounts Payables:</b>								
Mr. Sunil Kumar Khaitan	-	-	20.42	31.98	-	-	20.42	31.98
Mr. Vedant Khaitan	-	-	-	-	-	-	-	-
Mr. Dwarka Khaitan					1.55	9.17	1.55	9.17

Note : a) No amount has been written back / written off during the year in respect of due to related parties.

b) No provision for doubtful debts in respect of dues from related parties.

## Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

(Rs.in lacs)

### 40. Segment Reporting

Contingent Liabilities and Commitments.

Based on the guiding principles given in Indian Accounting Standard (Ind As)108 'Segment Reporting', the Company's primary business segments are

(a) Paper Mill Product and (b) EDM Wire.

#### Segment wise Revenue, Results and Capital Employed for the year ended 31st March, 2019 :

	As at 31st March, 2019		As at 31st March, 2018	
	Rs.	Rs.	Rs.	Rs.
<b>A. Primary Segment</b>				
<b>A.1 Segment Revenue</b>				
(a) Paper Mill Products				
i) External Revenue		10,251.92		9,533.16
(b) EDM Wire				
i) External Revenue		1,282.63		1,273.51
		<b>11,534.55</b>		<b>10,806.67</b>
<b>A.2 Segment Results</b>				
(a) Paper Mill Products		451.71		(667.49)
(b) EDM Wire		(417.17)		21.98
(c) Others		-		-
Total Segment		<b>34.54</b>		<b>(645.51)</b>
Un-allocated corporate expenses net of un-allocated income		-		-
Operating profit		<b>34.54</b>		<b>(645.51)</b>
Other Income		333.78		331.49
Finance Cost		(881.31)		(797.06)
<b>Total Profit/(Loss) before exceptional item</b>		<b>(512.99)</b>		<b>(1,111.09)</b>
Exceptional items - income/(expenditure) - unallocated/corporate		-		21,457.66
<b>Total Profit/(Loss) before tax</b>		<b>(512.99)</b>		<b>20,346.57</b>
<b>Tax Expense</b>				
Current tax		-		-
Deferred tax charge/(credit)		-		-
<b>Total Profit/(Loss) for the year</b>		<b>(512.99)</b>		<b>20,346.57</b>

	As at 31st March, 2019		As at 31st March, 2018	
	Assets	Liabilities	Assets	Liabilities
	Rs.	Rs.	Rs.	Rs.
<b>A.3 Segment Assets and Liabilities</b>				
(a) Paper Mill Products	16,527.57	3,463.62	14,456.92	2,770.06
(b) EDM Wire	498.15	89.26	615.52	131.55
(c) Unallocable Items	715.08	9,588.75	781.48	7,818.91
	<b>17,740.80</b>	<b>13,141.62</b>	<b>15,853.92</b>	<b>10,720.52</b>

## Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

(Rs.in lacs)

	As at 31st March, 2019		As at 31st March, 2018	
	Capital Expenditure	Depreciation	Capital Expenditure	Depreciation
	Rs.	Rs.	Rs.	Rs.
<b>A.4 Capital expenditure including capital work-in-progress and depreciation</b>				
(a) Paper Mill Products	8,001.58	503.79	359.50	534.82
(b) EDM Wire	-	1.02	-	1.46
(c) Others	-	-	-	-
<b>Total</b>	<b>8,001.58</b>	<b>504.81</b>	<b>359.50</b>	<b>536.27</b>

### B. Secondary

#### Geographical distribution of segment revenues

Country	As at 31st March, 2019		As at 31st March, 2018	
	Paper Mill Products	EDM Wire	Paper Mill Products	EDM Wire
	Rs.	Rs.	Rs.	Rs.
India	8,362.99	1,239.83	7,983.08	1,070.92
Outside India	2,215.22	52.68	1,857.32	226.83
<b>Total</b>	<b>10,578.21</b>	<b>1,292.51</b>	<b>9,840.40</b>	<b>1,297.75</b>

#### Note :

- The Company has disclosed business segment as the primary segment.
- Transactions between segments are for materials which are transferred at cost.
- Segment revenue and expense include items directly attributable to the segment and common costs, apportioned on a reasonable basis.  
They do not include investment income, interest income from Inter-corporate deposits and loans given and dividend income.
- All Segment assets and liabilities are directly attributable to the segment.  
Segment assets include all operating assets used by the segment and consists principally of net fixed assets, inventories, sundry debtors, loans and advances and operating cash and bank balances. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities. Segment assets and liabilities do not include, share capital, reserves and surplus.
- Fixed Assets used in Company's business or liabilities contracted have not been identified to any of the reportable geographical segments, as the fixed assets and services are used interchangeably between segments. Accordingly, no disclosure relating to total segment assets and liabilities are made.

### 41 Disclosure in terms of Indian Accounting Standard (Ind As) -37

- Movement for Provision for Liabilities:

Particulars	Legal Cases (Rs in lacs)
Balance as at 1st April, 2018	3.50
Provided During the period	-
Amount used during the period	-
Reversed during the period	-
Balance as at 31st March, 2019	3.50
Timing of outflow/uncertainties	Outflow on settlement/ Crystallization

## Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

(Rs.in lacs)

- (b) The Contingent Liabilities & Liabilities are dependent upon Court decision / out of Court Settlement/ Disposal of appeals, etc.
- (c) No reimbursement is expected in the case of Contingent Liabilities & Liabilities.

### 42 Employees Benefits under Indian Accounting Standard (Ind As) -19:

As per Indian Accounting Standard (Ind As) - 19 " Employee Benefits", the disclosure of Employee Benefits as defined in the Indian Accounting Standard (Ind As) 19 are as follows:

#### a) Defined Contribution Plan :

- i) Employee benefits in the form of Provident Fund, Superannuation Fund, Employee State Insurance Scheme and Labour Welfare Fund are considered as defined contribution plan except that Provident Fund in respect of certain employees is contributed to a fund set up by the Company which is treated as a Defined Benefit Plan since the Company has to meet the interest shortfall.
- ii) The contributions to the funds are made in accordance with the relevant statute and are recognized as an expense when employees have rendered service entitling them to the contributions. The contribution to Defined Contribution Plan, recognized as expense for the year are as under:

Defined Contribution Plan	As at 31st March, 2019 (Rs.in lacs)	As at 31st March, 2018 (Rs.in lacs)
Employer's Contribution to Provident Fund	121.47	123.23
Employer's Contribution to Superannuation Fund	-	-
Employer's Contribution to Employee State Insurance Scheme	15.98	24.09
Employer's Contribution to Labour Welfare Fund	0.10	0.08

#### b) Defined Benefit Plan :

- i) Post employment and other long-term employee benefits in the form of gratuity and leave encashment are considered as Defined Benefit Obligation. The present value of obligation is determined based on actuarial valuation using projected unit credit method as at the Balance Sheet date. The amount of defined benefits recognized in the Balance Sheet represent the present value of the obligation as adjusted for unrecognized past service cost and as reduced by the fair value of plan assets.
- ii) Provident Fund in respect of certain employees is contributed to a fund set up by the Company which is treated as a Defined Benefit Plan since the Company has to meet the interest shortfall. There is no interest shortfall as at the year end. As advised by an independent actuary, it is not practical or feasible to actuarially value the liability considering that the rate of interest is notified by the Government. Accordingly other related disclosures in respect of Provident Fund have not been made.
- iii) Any asset resulting from this calculation is limited to the discounted value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The amount recognized in the Profit and Loss Account for the year in respect of Employees Benefit Schemes based on actuarial reports is as follows :

## Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

(Rs.in lacs)

### A. Change in Defined Benefit Obligation

Particulars	Gratuity				Leave Encashment	
	Funded		Unfunded		Funded	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Defined Benefit Obligation at beginning of the year	98.26	94.36	524.19	522.89	243.21	229.15
Current Service Cost	3.12	3.05	34.71	35.63	19.47	28.25
Past Service Cost	-	-	-	-	-	-
(Gain)/Loss on settlements	-	-	-	-	-	-
Interest Cost	7.86	7.55	37.87	38.99	16.81	15.84
Benefit Payments from Plan Assets	(7.36)	-	(64.75)	(39.67)	-	-
Benefit Payments from Employer	-	-	-	-	(49.95)	(44.32)
Settlement Payment from Plan Assets	-	-	-	-	-	-
Settlement Payment from Employer	-	-	-	-	-	-
Others (Employees Contribution, Taxes, Expenses)	-	-	-	-	-	-
Increase/(Decrease) due to effect of any business combination	-	-	-	-	-	-
Increase/(Decrease) due to plan combination	-	-	-	-	-	-
Remeasurements-Due to Demographic Assumptions	-	-	-	-	-	-
Remeasurements-Due to Financial Assumptions	7.63	(6.70)	1.79	(9.12)	2.66	(1.03)
Remeasurements-Due to Experience Adjustments	-	-	9.60	(24.53)	16.92	15.32
<b>Defined Benefit Obligation at end of the year</b>	<b>109.50</b>	<b>98.26</b>	<b>543.42</b>	<b>524.19</b>	<b>249.13</b>	<b>243.21</b>

### B. Change in Fair Value of Plan Assets

Particulars	Gratuity				Leave Encashment	
	Funded		Unfunded		Funded	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Fair Value of Plan Assets at beginning of the year	86.52	52.21	49.59	37.32	-	-
Interest Income	-	-	3.82	2.89	-	-
Employer Contributions	43.60	29.81	58.44	51.00	-	-
Employer Direct Benefit Payments	-	-	-	-	49.95	44.32
Employer Direct Settlement Payments	-	-	-	-	-	-
Benefit Payments from Plan Assets	(7.36)	-	(64.75)	(39.67)	(49.95)	(44.32)
Benefit Payments from Employer	-	-	-	-	-	-
Settlement Payment from Plan Assets	-	-	-	-	-	-
Settlement Payment from Employer	-	-	-	-	-	-
Others (Employees Contribution, Taxes, Expenses)	-	-	-	-	-	-
Increase/(Decrease) due to effect of any business combination	-	-	-	-	-	-
Increase/(Decrease) due to plan combination	-	-	-	-	-	-
Remeasurements-Return on Assets	(21.54)	4.50	(2.22)	(1.96)	-	-
Fair Value of Plan Assets at the end of the year	101.22	86.52	44.88	49.59	-	-
Remeasurements-Due to Experience Adjustments	-	-	9.60	(24.53)	16.92	15.32
<b>Defined Benefit Obligation at end of the year</b>	<b>109.50</b>	<b>98.26</b>	<b>543.42</b>	<b>524.19</b>	<b>249.13</b>	<b>243.21</b>

## Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

(Rs.in lacs)

### C. Statement of Profit & Loss

The charge to the Statement of Profit and Loss comprises:

Particulars	Gratuity				Leave Encashment	
	Funded		Unfunded		Funded	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
<b>Employees Benefit Expense</b>						
Current Service Cost	3.12	3.05	34.71	35.63	19.47	28.25
Past Service Cost	-	-	-	-	-	-
(Gain)/Loss on settlements	-	-	-	-	-	-
Reimbursement Service Cost	-	-	-	-	-	-
<b>Finance costs</b>						
Interest Expense on Defined Benefit Obligations	7.86	7.55	37.87	38.99	16.81	15.84
Interest (Income) on Plan Assets	-	-	(3.82)	(2.89)	-	-
Interest (Income) on Reimbursement Rights	-	-	-	-	-	-
Interest Expense on (Asset Ceiling)/Onerous Liability	-	-	-	-	-	-
Reimbursement of Other Long Term Benefits	-	-	-	-	-	-
<b>Net impact on profit (before tax)</b>	<b>10.98</b>	<b>10.60</b>	<b>68.76</b>	<b>71.72</b>	<b>36.28</b>	<b>44.09</b>
<b>Remeasurement of the net defined benefit plans</b>						
Remeasurements-Due to Demographic Assumptions	-	-	-	-	-	-
Remeasurements-Due to Financial Assumptions	7.63	(6.70)	1.79	(9.12)	2.66	(1.03)
Remeasurements-Due to Experience Adjustments	-	-	9.60	(24.53)	16.92	15.32
(Return) on Plan Assets (Excluding Interest Income)	-	(4.50)	2.22	1.96	-	-
(Return) on Reimbursement Rights	-	-	-	-	-	-
Change in Asset Ceiling/Onerous Liability	-	-	-	-	-	-
<b>Net impact on Other Comprehensive Income (before tax)</b>	<b>7.63</b>	<b>(11.20)</b>	<b>13.62</b>	<b>(31.70)</b>	<b>19.59</b>	<b>14.29</b>

**Note:** In case of leave encashment there is no change in recognition of expenses between IND AS-19 and AS-15 and hence all components of have been routed through profit and loss statement.

### D. Balance Sheet

The assets, liabilities and surplus/(deficit) position of the defined benefit plans at the Balance Sheet date were:

Particulars	Gratuity				Leave Encashment	
	Funded		Unfunded		Funded	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
<b>Funded plans in deficit:</b>						
Defined Benefit Obligations	109.50	98.26	543.42	524.19	249.13	243.21
Fair Value of Plan Assets	(101.22)	(86.52)	(44.88)	(49.59)	-	-
<b>Net (Asset)/Liability recognized in Balance Sheet</b>	<b>8.28</b>	<b>11.74</b>	<b>498.54</b>	<b>474.60</b>	<b>249.13</b>	<b>243.21</b>



## Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

(Rs.in lacs)

### E. Actuarial Assumptions:

The principal financial assumptions used for valuation as at the valuation date. The assumptions as at the valuation date used to determine the Present Value of Defined Benefit Obligation at the date.

#### i) Financial Assumptions

Particulars	Gratuity				Leave Encashment	
	Funded		Unfunded		Funded	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Discount Rate(per annum)		8.00%	7.70%	7.75%	7.70% , 7.5%	7.75% , 7.5%
Salary Escalation - First 5 years	-	7%	6%	6%	6%, 8%	6%, 8%
Salary Escalation - After 5 years		7%	6%	6%	6%	6%
Expected Rate of Return on Plan Assets			7.70%	7.75%	N/A	N/A
Disability Rate	5% of Mortality Rate	5% of Mortality Rate	5% of Mortality Rate	5% of Mortality Rate	5% of Mortality Rate	5% of Mortality Rate
Withdrawal Rate	1% to 8%	1% to 8%	8% to 1%	8% to 1%	8% to 1%	8% to 1%
Retirement Age	58 years	58 years	58 years	58 years	58 years	58 years
Average Future Service	16.04	16.04	14.48	15.09	14.71	14.82

#### Demographic Assumptions

**Mortality in Service:** Indian Assured Lives Mortality (2006-08) Ultimate table.

#### F. Sensitivity Analysis

Discount Rate, Salary Escalation Rate and Withdrawal Rate are significant actuarial assumption. The change in the Present value of Defined Benefit Obligation for a change of 100% Basis Points from the assumed assumption is given below-

Particulars	Defined Benefit Obligation			
	Gratuity		Leave Encashment	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Under Base Scenario	54341508	52418785	19005466	19071913
Salary Escalation - (Up by 1%)	58415554	56528784	20294764	20386890
Salary Escalation - (Down by 1%)	50660921	48700932	17857511	17896404
Withdrawal Rates (Up by 1%)	54734614	52807148	19143569	19212600
Withdrawal Rates (Down by 1%)	53907325	51988755	18852018	18915704
Discount Rates (Up by 1%)	50887335	48990328	17889057	17957058
Discount Rates (Down by 1%)	58232276	56281892	20271164	20333852

**Note :** Above information have been compiled on the basis of Certificates issued by the Actuaries.

- 43 The addaption of Ind AS 115 "Revenue from Contracts with Customers" did not have any significant impact on the financial results of the Company.

**Notes to Financial Statements** for the year ended 31st March, 2019 *(Contd.)*

(Rs.in lacs)

**44 Earning Per Shares**

	<b>As at 31st March, 2018</b> (Rs.in lacs)	<b>As at 31st March, 2017</b> (Rs.in lacs)
<b>a) Profit/(Loss) for the year</b>	(512.99)	20,346.57
b) Weighted average number of Basic Equity Shares of Rs.2/- each outstanding during the year.(No. of shares in lacs)	427.55	427.55
c) Weighted average number of Diluted Equity Shares of Rs.2/- each outstanding during the year (No. of shares inlacs)	427.55	427.55
<b>d) Basic Earning Per Shares (Rs) a/b</b>	(1.20)	47.59
<b>e) Diluted Earning Per Shares (Rs) a/c</b>	(1.20)	47.59

- 45** The previous year's figures have been re-worked, regrouped, rearranged and reclassified wherever necessary and practicable . Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

The accompanying notes 1 to 45 are an integral part of these financial statements

As per our report of even date

For **KHANDELWAL RAY & CO**

*Chartered Accountants*

FR NO.302035E

**CA. P. SARKAR**

*Partner*

Membership No.051449

Kolkata

Dated: 27th May 2019

For and on behalf of Board of Directors

**Sunil Khaitan**  
*Managing Director*

**S.J. Sengupta**  
*President & CFO*

**Dipak Dasgupta**  
*Director*

**S.K.Kejriwal**  
*Company Secretary*



*If undelivered, please return to:*

**SHALIMAR WIRES INDUSTRIES LTD.**  
25, Ganesh Chandra Avenue  
Kolkata - 700 013

**SHALIMAR WIRES INDUSTRIES LIMITED**

**Regd. Office:** 25 Ganesh Chandra Avenue, Kolkata – 700012, West Bengal, India, **CIN:**L74140WB1996PLC081521  
**Phone:** (033) 2234 9308/09/10, **Fax:** (033) 2211 6880, **E-mail:** secretarial@shalimarwires.com, **Website:** www.shalimarwires.com

<b>ATTENDANCE SLIP</b> I /We hereby record my/our presence at the <b>23<sup>rd</sup> Annual General Meeting</b> of the Company at <b>Bharatiya Bhasha Parishad, 36A Shakespeare Sarani, Kolkata-700017, on Saturday, the 21<sup>st</sup> September, 2019 at 10.00 a.m.</b>	<b>Folio/DP ID &amp; Client ID No.:</b>
	<b>Shares:</b>
	<b>Serial No.:</b>
	<b>Name:</b>
	<b>Name(s) of joint Holder(s), if any:</b>
<b>Address:</b>	

Name of Proxy (in BLOCK LETTERS)

Signature of Shareholder/Proxy Present

- Notes:**
- Members/Proxyholders who wish to attend the Annual General Meeting (AGM) must bring their Admission Slips to the AGM and hand over the same duly signed at the entrance. Duplicate Admission Slips will not be issued at the venue.
  - Members/Proxyholders desiring to attend the meeting are requested to bring their copy of Annual Report for reference at the Meeting.

**ELECTRONIC VOTING PARTICULARS**

EVSN (E-voting Sequence Number)	USER ID	PASSWORD

Please read instructions given at Note No. 21 of the Notice of the 23<sup>rd</sup> Annual General Meeting carefully before voting electronically.

**PROXY FORM**

**SHALIMAR WIRES INDUSTRIES LIMITED**

**Regd. Office:** 25 Ganesh Chandra Avenue, Kolkata – 700012, West Bengal, India, **CIN:**L74140WB1996PLC081521  
**Phone:** (033) 2234 9308/09/10, **Fax:** (033) 2211 6880, **E-mail:** secretarial@shalimarwires.com, **Website:** www.shalimarwires.com

**23<sup>RD</sup> ANNUAL GENERAL MEETING ON SATURDAY, 21<sup>ST</sup> SEPTEMBER, 2019**

**FORM MGT-11**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management & Administration) Rules, 2014]

<b>Folio/DP ID &amp; Client ID No.:</b>	<b>E-mail ID :</b>
<b>Name of the member (s):</b>	
<b>Registered Address:</b>	

I/We, being the member(s), holding.....shares of the above named company hereby appoint :

- Name .....Address.....  
E-mail Id.....Signature.....or failing him/her
- Name .....Address.....  
E-mail Id.....Signature.....or failing him/her
- Name .....Address.....  
E-mail Id.....Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23<sup>rd</sup> Annual General Meeting of the Company, to be held on Saturday, September 21, 2019 at 10:00 a.m. at Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, Kolkata-700017 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional *	
		For	Against
<b>Ordinary Business</b>			
1.	Consider and adopt the Audited Financial Statement of the Company for the financial year ended 31st March, 2019 and the reports of the Board of Directors and Auditors thereon.		
2.	Appointment of Mr. Sunil Khaitan, who retires by rotation and being eligible, offers himself for re-appointment as a Director.		
<b>Special Business</b>			
3.	Approval of the Remuneration of the Cost Auditors for the financial year ending March 31, 2020.		
4.	Approval for increasing the remuneration of Mr. Sunil Khaitan, Chairman & Managing Director.		

Signed this .....day of .....2019

Member's Folio /DP ID Client ID No.....Signature of Shareholder(s).....

Signature of Proxy holder(s).....

Affix  
Revenue  
Stamp

- Note :**
- This form of proxy in order to be effective should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Annual General Meeting.
  - For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 23rd Annual General Meeting.
  - \*3. It is optional to put a 'X' in the appropriate column against the Resolutions indicated to the Box. If you leave the 'For' or 'Against' column blank against any or all 'Resolution' your proxy will be entitled to vote in the manner as he/she thinks appropriate.