

**AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF
SHALIMAR WIRES INDUSTRIES LIMITED**

1. We have audited the quarterly Financial Results of **SHALIMAR WIRES INDUSTRIES LIMITED** ("the Company") for the quarter ended 30th September, 2014 attached herewith, being submitted by the Company pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the annual financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such annual financial statements, which have been prepared in accordance with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. Provisions/Adjustment in respect of the following have not been considered in the accounts
 - (i) *Long Term and Short Term Loans and Advances given and Claims Receivable amounting to Rs. 565.40 Lacs and Rs.26.98 lacs respectively.*
 - (ii) *Trade Receivables amounting to Rs. 33.21 Lacs.*
 - (iii) *Contingent Liabilities as required under AS 29 notified under The Companies (Accounting Standard) rules, 2006 - quantum unascertained .as disclosed in Foot Note no 2(b).*
 - (iv) *Amount due from Trade Receivables and Loans & Advances given and due to Trade Payables, are subject to confirmation from the respective parties .*
 - (v) *Provision for Deferred Tax Assets and / or Liabilities.*
 - (vi) *Adjustments for effect on depreciation charged in earlier years due to adoption new rates of depreciation.*
4. Subject to the above, In our opinion and to the best of our information and according to the explanations given to us, these quarterly financial results as well as the year to date results:-
 - (i) are presented in accordance with the requirements of Clause 41 of the Listing Agreement with the Stock Exchanges and
 - (ii) give a true and fair view of the net profit and other financial information for the quarter ended 30th September, 2014.

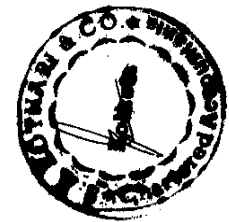
For S.S. Kothari & Co.
Chartered Accountants
FR. No. 302034E

(CA. P.K.Bhattacharya)
Partner
Membership No.015899
Place: Kolkata
Date:12th November, 2014



Shalimar Wires Industries Limited
 Registered Office: 25, Ganesh Chandra Avenue, Kottarakkuda - 786 013
 Unaudited Financial Results (Provisional) For The Quarter and Half Year Ended 30th September, 2014

| Sl No | Particulars | (Rs. in Lacs) | | | | | |
|-------|--|---|---|---|--|--|---------------------------------------|
| | | 3 months ended (30/09/2014) Unaudited | 3 months ended (30/06/2014) Unaudited | 3 months ended (30/09/2013) Unaudited | Half year ended (30/09/2014) Unaudited | Half year ended (30/09/2013) Unaudited | Year ended (31/03/2014) Audited |
| 1 | Income from operation | | | | | | |
| | a) Net Sales / Income from Operations | 2,341.50 | 2,490.58 | 2,341.02 | 4,832.08 | 4,628.07 | 8,976.13 |
| | b) Net of excise duty | 27.21 | 25.62 | 40.18 | 52.83 | 36.36 | 86.84 |
| | Total Operating Income | 2,368.71 | 2,516.20 | 2,381.20 | 4,884.91 | 4,684.63 | 9,062.97 |
| 2 | Expenses | | | | | | |
| | a) Cost of materials Consumed | 741.84 | 855.74 | 847.04 | 1,597.58 | 1,699.48 | 3,252.91 |
| | b) Purchase of Traded Goods | (130.15) | 28.92 | (82.50) | (101.23) | (69.87) | (123.05) |
| | c) Changes in inventory of finished goods, Work in progress and Stock in Trade | 514.09 | 471.15 | 471.15 | 1,031.69 | 951.08 | 1,809.04 |
| | d) Employee benefit expenses | 175.87 | 177.03 | 169.87 | 292.90 | 339.72 | 668.29 |
| | e) Depreciation and amortisation expenses | 733.24 | 733.75 | 723.83 | 1,507.03 | 1,434.03 | 3,079.41 |
| | f) Other Expenses | | | | | | |
| | Total Expenses | 2,054.93 | 2,273.64 | 2,129.33 | 4,327.97 | 4,354.44 | 8,776.60 |
| 3 | Profit / (Loss) from Operations before Other Income, Finance costs and exceptional items (1-2) | 313.78 | 242.56 | 251.87 | 556.94 | 330.19 | 286.37 |
| 4 | Other Income | | | | | | |
| 5 | Profit / (Loss) from ordinary activities before finance costs & Exceptional Items (3+4) | 313.78 | 242.56 | 251.87 | 556.94 | 330.19 | 286.37 |
| 6 | Finance costs | (40.42) | (44.32) | (33.24) | (87.56) | (74.32) | (171.53) |
| 7 | Profit / (Loss) from Operations after Finance costs but before exceptional items (5+6) | (26.64) | (19.76) | (11.37) | (31.62) | (24.13) | (85.16) |
| 8 | Exceptional Items | | | | | | |
| 9 | Profit / (Loss) from Ordinary Activities before Tax (7+8) | (26.64) | (19.76) | (11.37) | (31.62) | (24.13) | (85.16) |
| 10 | Tax Expense (Debit/ Credit) | (58.64) | (44.32) | (33.24) | (114.32) | (101.52) | (216.70) |
| 11 | Net Profit / (Loss) from Ordinary Activities after Tax (9+10) | (85.28) | (64.08) | (44.61) | (145.94) | (125.65) | (301.86) |
| 12 | Extraordinary items (net of tax expense) | | | | | | |
| 13 | Net Profit / (Loss) for the Period (11+12) | (85.28) | (64.08) | (44.61) | (145.94) | (125.65) | (301.86) |
| 14 | Particulars | | | | | | |
| | a) Fully Paid Up Rs.2/- Each Fully Paid Up Previous Year Rs.2/- Each Fully Paid Up | | | | | | |
| | b) Partly Paid Up | | | | | | |
| 15 | Reserves Excluding Revaluation Reserves | | | | | | |
| | As per Balance Sheet of Previous Accounting Year | | | | | | |
| 16 | Particulars | | | | | | |
| | a) Basic & Diluted EPS (Rs.) before Extra Ordinary Items for the Period | | | | | | |
| | b) Basic & Diluted EPS (Rs.) after Extra Ordinary Items for the Period | | | | | | |
| 17 | PARTICULARS OF SHARE HOLDING | | | | | | |
| | 1) Public Shareholding | | | | | | |
| | Number of Equity Shares | 9,779,645 | 9,779,645 | 9,779,645 | 9,779,645 | 9,779,645 | 9,779,645 |
| | Percentage of Shareholding | 26.01% | 26.01% | 26.01% | 26.01% | 26.01% | 26.01% |
| | 2) Promoters and Promoter Group Shareholding | | | | | | |
| | a) Promoted/Encumbered | | | | | | |
| | Number of Shares | 2,825,478 | 2,825,478 | 2,825,478 | 2,825,478 | 2,825,478 | 2,825,478 |
| | Percentage of Shares (as a % of the total Shareholding of Promoter and Promoter Group) | 10.15% | 10.15% | 10.15% | 10.15% | 10.15% | 10.15% |
| | Percentage of Shares (as a % of the total Share Capital of the Company) | 7.51% | 7.51% | 7.51% | 7.51% | 7.51% | 7.51% |
| | b) Non-Encumbered | | | | | | |
| | Number of Shares | 25,000,000 | 25,000,000 | 25,000,000 | 25,000,000 | 25,000,000 | 25,000,000 |
| | Percentage of Shares (as a % of the total Shareholding of Promoter and Promoter Group) | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |
| | Percentage of Shares (as a % of the total Share Capital of the Company) | 66.48% | 66.48% | 66.48% | 66.48% | 66.48% | 66.48% |
| | Particulars | | | | | | |
| 18 | INVESTOR COMPLAINTS | | | | | | |
| | Pending at the beginning of the quarter | Nil | Nil | Nil | Nil | Nil | Nil |
| | Resolved during the quarter | Nil | Nil | Nil | Nil | Nil | Nil |
| | Disposed of during the quarter | Nil | Nil | Nil | Nil | Nil | Nil |
| | Remaining unresolved at the end of the quarter | Nil | Nil | Nil | Nil | Nil | Nil |



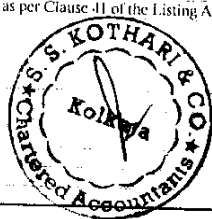
| Shalimar Wires Industries Limited Registered Office- 25, Ganesh Chandra Avenue, Kolkata - 700 013 Segment Wise Revenue, Results And Capital Employed For The Quarter and Half Year Ended 30 th September 2014 | | | | | | | | | | | | | |
|---|---|--------------------------------|----------|--------------------------------|----------|--------------------------------|-----------|---------------------------------|----------|---------------------------------|----------|----------------------------|----------|
| Sl.No | Particulars | 3 months ended (30/09/2014) | | 3 months ended (30/06/2014) | | 3 months ended (30/09/2013) | | Half Year ended (30/09/2014) | | Half Year ended (30/09/2013) | | Year ended (31/03/2014) | |
| | | Unaudited | Audited | Unaudited | Audited | Unaudited | Audited | Unaudited | Audited | Unaudited | Audited | Unaudited | Audited |
| 1 | Segment Revenue (net sale/income from each segment) | | | | | | | | | | | | |
| | (a) Segment - Paper Mill Product | 2156.16 | 2269.02 | 2034.37 | 2034.37 | 4,425.18 | 4,425.18 | 4,138.09 | 4,138.09 | 8,059.09 | 8,059.09 | 1,003.88 | 1,003.88 |
| | (b) Segment - Strip & Wire | 212.55 | 247.18 | 246.83 | 246.83 | 459.73 | 459.73 | 546.54 | 546.54 | 1,003.88 | 1,003.88 | 9,062.97 | 9,062.97 |
| | (c) Segment - Others | 2,368.71 | 2,516.20 | 2,281.20 | 2,281.20 | 4,884.91 | 4,884.91 | 4,684.63 | 4,684.63 | 9,062.97 | 9,062.97 | 9,062.97 | 9,062.97 |
| | Total | 2,368.71 | 2,516.20 | 2,281.20 | 2,281.20 | 4,884.91 | 4,884.91 | 4,684.63 | 4,684.63 | 9,062.97 | 9,062.97 | 9,062.97 | 9,062.97 |
| | Less: Inter Segment Revenue | | | | | | | | | | | | |
| | Net sales/Income From Operations | 2,368.71 | 2,516.20 | 2,281.20 | 2,281.20 | 4,884.91 | 4,884.91 | 4,684.63 | 4,684.63 | 9,062.97 | 9,062.97 | 9,062.97 | 9,062.97 |
| 2 | Segment Results (Profit(+)/Loss(-) before tax and interest from Each segment) | | | | | | | | | | | | |
| | (a) Segment - Paper Mill Product | 353.80 | 280.13 | 214.65 | 214.65 | 633.93 | 633.93 | 448.09 | 448.09 | 1,101.10 | 1,101.10 | (177.84) | (177.84) |
| | (b) Segment - Strip & Wire | (37.84) | (36.97) | (62.78) | (62.78) | (74.81) | (74.81) | (90.21) | (90.21) | (90.21) | (90.21) | (90.21) | (90.21) |
| | (c) Segment - Others | 315.96 | 243.16 | 151.87 | 151.87 | 559.12 | 559.12 | 357.88 | 357.88 | 923.26 | 923.26 | 686.50 | 686.50 |
| | Total | 374.60 | 198.84 | 98.63 | 98.63 | 573.44 | 573.44 | 167.36 | 167.36 | 686.50 | 686.50 | 236.70 | 236.70 |
| | Less: Interest | (58.64) | 44.32 | 53.24 | 53.24 | (14.32) | (14.32) | 190.52 | 190.52 | 236.70 | 236.70 | 236.70 | 236.70 |
| | Total Profit Before Tax | 10,465.03 | 9,078.76 | 9,158.51 | 9,158.51 | 10,465.03 | 10,465.03 | 9,158.51 | 9,158.51 | 9,078.30 | 9,078.30 | 228.26 | 228.26 |
| 3 | Capital Employed (Segment assets - Segment liabilities) | | | | | | | | | | | | |
| | (a) Segment - Paper Mill Product | 184.57 | 320.99 | 140.65 | 140.65 | 184.57 | 184.57 | 140.65 | 140.65 | 228.26 | 228.26 | 228.26 | 228.26 |
| | (b) Segment - Strip & Wire | | | | | | | | | | | | |
| | (c) Segment - Others | | | | | | | | | | | | |
| | Total | 10,649.60 | 9,399.75 | 9,299.16 | 9,299.16 | 10,649.60 | 10,649.60 | 9,299.16 | 9,299.16 | 9,304.50 | 9,304.50 | 9,304.50 | 9,304.50 |



| Particulars | (Rs. in Lakhs) | |
|---|--|---------------------------------------|
| | Half Year ended (30.09.2014) Unaudited | Year ended (31.03.2014) Audited |
| A EQUITY AND LIABILITIES | | |
| 1 Shareholders' Funds: | | |
| a) Share Capital | | 3,086.45 |
| b) Reserves and Surplus | 5,686.45 | 3,086.45 |
| c) Money received against Share Warrants | (15,289.37) | (18,226.50) |
| Sub Total-Shareholder's Funds | (4,526.47) | (12,113.55) |
| 2 Share application money pending allotment | | |
| 3 Minority Interest | | |
| 4 Non Current Liabilities | | |
| a) Long-term borrowings | | 5,066.80 |
| b) Deferred tax liabilities (net) | 5,070.81 | |
| c) Other long term liabilities | 492.79 | 467.05 |
| d) Long-term provisions | 333.51 | 399.70 |
| Sub Total - Non Current Liabilities | 5,897.11 | 5,953.55 |
| 5 Current Liabilities | | |
| a) Short-term borrowings | | |
| b) Trade payables | 1,099.19 | 789.72 |
| c) Other current liabilities | 21,059.79 | 20,530.40 |
| d) Short-term provisions | 43.83 | 77.65 |
| Sub Total - Current Liabilities | 22,202.81 | 21,397.77 |
| TOTAL - EQUITY AND LIABILITIES | 13,508.00 | 12,811.24 |
| B ASSETS | | |
| 1 Non-current assets | | |
| a) Fixed assets | | |
| b) Goodwill on consolidation | 5,543.17 | 5,240.04 |
| c) Non-current investments | | |
| d) Deferred tax assets(net) | 3.16 | 5.16 |
| e) Long term loans and advances | 850.37 | 802.36 |
| f) Other non-current assets | 458.81 | 320.66 |
| Sub Total - Non-Current assets | 6,855.51 | 6,368.22 |
| 2 Current assets | | |
| a) Current investments | | |
| b) Inventories | | |
| c) Trade receivables | 2,828.55 | 2,785.76 |
| d) Cash and cash equivalents | 3,509.01 | 2,916.93 |
| e) Short-term loans and advances | 209.78 | 223.74 |
| f) Other-current assets | 317.22 | 510.66 |
| Sub Total - Current assets | 6,879.49 | 6,443.02 |
| TOTAL - ASSETS | 13,508.00 | 12,811.24 |

Notes :

- Deferred Tax credit, if any, shall be considered at the time of finalization of audited accounts for the year ended 31st March, 2015 as per AS-22 notified under the Companies (Accounting Standard) Rules, 2006 Quantum Unascertained.
- Provisions required against the following considered doubtful of recovery, have not been considered in the accounts. (Including those relating to discontinuing operation)
 - Long Term and Short Term Loans and Advances given to Rs.406.18 lacs and Rs.159.22 lacs.
 - Trade Receivable of Rs.33.21 lacs
 - Claim Receivable of Rs.26.98 lacs
 - No provision has been made in respect of the following considered as Contingent Liabilities: (Including those relating to discontinuing operation)
 - Claims against the company not acknowledge as debts Rs.90.08 lacs
 - Demands of various Government Activities (Sales Tax, Excise, Municipal Tax , etc) under Appeals Rs. 4081.59 lacs.
 - Demands for non fulfillment of Export obligation to the extent ascertained till date Rs. 573.25 lacs.
 - Liability likely to arise on re-opening of cases by various authorities, amount unascertained.
- In terms of Schedule II to the Companies Act, 2013 read together with Accounting Standard 6 (AS-6) "Depreciation Accounting", the management of the Company has, based on technical evaluation, reassessed the remaining useful lives of fixed assets and undertaken the componentization of major items of fixed assets with effect from April 1, 2014. In terms of these evaluations, the useful lives of certain assets required changes from their previous estimates. As a result, resulting into increase of accumulated depreciation as on 01.04.2014 by Rs.68.63 lakhs, while the effect of such increase has been considered for ascertaining depreciation for the quarter under review, no accounting effect has been for the said increase of accumulated depreciation pertaining to earlier years. Such accounting effect would be made at the end of the year.
 - Due to change stated above, the depreciation provided during the quarter ended 30th September, 2014 is lower by Rs.25.61 lakh (year to date 51.22 lakhs) as compared to the method of charging depreciation in earlier year.
- Above financial result does not include the result of discontinued operations which has been disclosed separately
- Previous period figures have been reworked / rearranged wherever considered necessary.
- The above results were taken on record and approved by the Board Of Directors at its meeting held on 12th November, 2014.
- The above results is as per Clause 41 of the Listing Agreement.



Kolkata
12th November, 2014

For Shalimar Wires Industries Limited

Sudil Khaitan
Chairman &
Managing Director

Shalimar Wires Industries Limited
 Registered Office: 25, Ganesha Chandra Avenue, Kolkata - 700 013
 Unaudited Financial Results (Provisional) For The Quarter and Half Year Ended 30th September, 2014
 Information relating to discontinuing operations

| Sl No | Particulars | (Rs. in Lacs) | | | | | |
|-------|---|---|---|---|--|--|---------------------------------------|
| | | 3 months ended (30/09/2014) Unaudited | 3 months ended (30/06/2014) Unaudited | 3 months ended (30/09/2013) Unaudited | Half year ended (30/09/2014) Unaudited | Half year ended (30/09/2013) Unaudited | Year ended (31/03/2014) Audited |
| 1 | Profit / (Loss) before tax from ordinary activities attributable to discontinuing operations | (19.96) | (18.52) | (23.54) | (38.47) | (46.13) | (88.88) |
| 2 | Gain / (Loss) on disposal assets / settlement of liabilities attributable to discontinuing operations | | | | | | |
| 3 | Add / (Less): Tax expenses of discontinuing operations (a)+(b) | | | | | | |

Note:

- a) In terms of Schedule II to the Companies Act, 2013 read together with Accounting Standard 6 (AS-6) "Depreciation Accounting", the management of the Company has, based on technical evaluation, reassessed the remaining useful lives of fixed assets and undertaken the componentization of major items of fixed assets with effect from April 1, 2014. In terms of these evaluations, the useful lives of certain assets required changes from their previous estimates, resulting into increase of accumulated depreciation as on 01.04.2014 by Rs.23.42lakhs, while the effect of such increase has been considered for ascertaining depreciation for the quarter under review, no accounting effect has been for the said increase of accumulated depreciation pertaining to earlier years. Such accounting effect would be made at the end of the year.
- b) Due to change stated above, the depreciation provided during the quarter ended 30th September, 2014 is lower by Rs.1.61 lakhs (year to date 3.22 lakhs) as compared to the method of charging depreciation in earlier year.

