



**BWRL/SEC/139/2017-18**

Date: September 16, 2017

To,

**National Stock Exchange of India Ltd.,**  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex,  
Bandra (E),  
Mumbai – 400 051.

**BSE Limited,**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001.

**Ref.: NSE Symbol - BHARATWIRE; BSE Scrip Code - 539799**

**Sub: Annual Report for the FY 2016-17**

Dear Sir/Madam,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 please find enclosed herewith the Annual Report of Bharat Wire Ropes Limited (“Company”) for the Financial Year 2016-17, as approved and adopted at 31<sup>st</sup> Annual General Meeting of the Company, held on Saturday, September 9, 2017.

The same has also been placed on our website ‘www.bharatwireropes.com’.

We request you to take the above on records.

Yours Faithfully,

For **Bharat Wire Ropes Limited**

**Shailesh Rakhasiya**  
**Company Secretary and Compliance Officer**  
Membership No.: ACS 32244



**Corporate Office:**

A - 701, Trade World Bldg., Kamala Mills,  
SB Marg, Lower Parel (W), Mumbai - 13  
Tel: +91 22 66824600  
Fax: +91-22-24955477

**Registered Office & Factory:**

Plot No - 1&4, Atgaon Industrial Complex,  
Mumbai - Nasik Highway, Atgaon (East),  
Taluka - Shahpur, Dist - Thane - 421601  
Tel: +91 2527 240123. Fax: +91-2527 240196

**Factory:**

Plot No 4, MIDC,  
Chalisgaon Industrial Area,  
Village - Khadaki, Taluka - Chalisgaon,  
Dist - Jalgaon - 424101





# BHARAT WIRE ROPES LTD.



**ANNUAL REPORT  
2016-17**

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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

**Mr. Supratik Chatterjee**  
Chairman & Independent Director

**Mr. Murarilal Mittal**  
Managing Director

**Mr. Mayank Mittal**  
Joint Managing Director

**Mr. Sumit Kumar Modak**  
Whole-time Director

**Mr. Sushil R. Sharda,**  
Whole-time Director

**Mr. Venkateshwararao Kandikuppa,**  
Whole-time Director

**Mr. Anthony D'Souza**  
Independent Director

**Mr. Asit Pal**  
Independent Director

**Ms. Ruhi Mittal**  
Non Executive & Non Independent Director

**Mr. Shivkumar Malu**  
Additional Director

### CHIEF EXECUTIVE OFFICER

Mr. Mahender Singh Arora

### CHIEF FINANCIAL OFFICER

Mr. Rakesh Kumar Jain

### COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Shailesh Rakhasiya

### STATUTORY AUDITORS

M/s. Sureka Associates, Chartered Accountants

### SECRETARIAL AUDITORS

M/s. Abhishek Lakhotia & Co., Practicing Company Secretaries

### INTERNAL AUDITOR

M/s. Borkar & Muzumdar, Chartered Accountants

### REGISTERED OFFICE & PLANT SITE

Plot 1 & 4, Atgaon Industrial Complex,  
Mumbai – Nasik Highway, Atgaon (E),  
Taluka Shahpur, Thane – 421601.

Tel.: +91 2527 240123/4

Fax: +91 2527 240196

Email: [compliance@bharatwireropes.com](mailto:compliance@bharatwireropes.com)

Website: [www.bharatwireropes.com](http://www.bharatwireropes.com)

### CORPORATE OFFICE

701, A Wing, Trade World, Kamla Mills Compound,  
Senapati Bapat Marg, Lower Parel (W),  
Mumbai – 400013

Tel.: +91 22 66824600

Fax: +91 22 24955477

### PROJECT SITE

Plot No. 4, MIDC, Chalisgaon Industrial Area,  
Village – Khadaki, Taluka – Chalisgaon,  
Dist. – Jalgaon – 424 101

### REGISTRAR AND TRANSFER AGENTS

#### Karvy Computershare Private Limited

Karvy Selenium, Tower B, Plot Number 31 & 32,  
Gachibowli, Financial District, Nanakramguda,  
Hyderabad – 500 032, India

### BANKERS

Bank of Baroda

Central Bank of India

Corporation Bank

EXIM Bank

State Bank of India

Union Bank of India

Vijaya Bank

## MANAGING DIRECTOR'S SPEECH



Dear Shareholders,

I am pleased to share with you that the Financial Year (“F.Y.”) 2016-17 was a remarkable year for Bharat Wire Ropes Limited.

The Indian Economy saw a flux in the F.Y. 2016-17, on account of demonetization. The Demonetization move has projected a positive impact on the Indian economy, by eliminating unfair trade practices. This progressive measure implemented by the Hon’ble Prime Minister of India, Shri. Narendra Modi, provided an impetus to fair trade practices. The Indian Economy has shown very promising signs of growth. The GDP of India stands at an imposing 2.264 trillion USD.

In a rapidly changing domestic and world economy, Bharat Wire Ropes Limited has achieved remarkable growth in terms of revenue and profit. The Indian Government’s empowering initiatives like Demonetization and Digital India are designed to drive our nation to become a superlative country. The introduction of the Goods and Services Tax (GST), has replaced multiple cascading taxes levied by the central and state governments. This has added great value to our business proposition and leveled the playing field for our company across the 29 states of India.

Bharat Wire Ropes Ltd. has established itself as a major player in the manufacture of wire ropes, slings & strands in India. Over the years, we have consistently delivered on our commitments. The growth of our company has remained unaffected from the influences on industries in select sectors. This is primarily attributed to our multipronged approach towards diversifying our customer base across multiple industrial sectors and in establishing a Replacement Market successfully. During the year, we have significantly enhanced our customer base by strengthening our product portfolio.

The demand for Steel wire ropes has witnessed an upsurge, predominantly fuelled by the growth & development in the Oil & Gas sectors, Mining, Defense, Shipping, General Engineering and Structural Engineering applications. Our service and client base development initiatives have enabled us to capitalize on this opportunity and enhance our business impressively. With our extensive experience in strategic planning and responsive mechanisms, we are well positioned to address current and future challenges.

Bharat Wire Ropes Ltd. achieved a turnover of 68.07 crore in the F.Y. 2016-17. Earnings after tax stood at 1.64 crore, an increase by 22.10 % Year-on-Year. Furthermore, the Company is making efforts to promote export sales and has been successful in exporting its products across the globe to more than 40 countries, during the period under review. The company has also approached the existing customer base with an objective of enhancing the service element and creating an aftermarket value proposition. There has been a renewed effort, channeled at finding innovative end-user applications for our portfolio of wire rope products. In all our efforts, our people were the key motivators.

Bharat Wire Ropes Ltd. has kick started its operations at our Chalisgaon Plant on March 22, 2017 and the same is picking up phenomenally. We are pleased to announce the plant is operating at its optimum level. The operations at our Chalisgaon plant are expected to substantially increase from September 2017.

A greatly affirmative outcome in terms of Growth and Development is expected in the foreseeable future. I sincerely believe that the Company will achieve greater heights in the years to come.

Our vision to be a “World Leading Wire Rope Company” is taking shape & we are making great strides in that direction. A Strong team, Years of experience and a Strong Will to achieve drives our Company. We strive to improve ourselves at every step in our journey.

Last but not the least, I would like to thank all our Stakeholders and our esteemed Board members for their guidance and support. I am grateful to our Customers, Vendors, Business Associates and Banks, who have reposed their immense faith in us. I would also like to extend my appreciation to our Employees for their unparalleled energy and commitment.

Yours Sincerely,

**Murarilal Mittal**  
Managing Director

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 1. **Overview of the Economy:**

India has emerged as the fastest growing economy in the world as per the Central Statistics Organization and International Monetary Fund. The Economic Survey 2016-17, was tabled in the Parliament on January 31, 2017, by Shri Arun Jaitley, Minister of Finance, Government of India. India's economic growth has been pegged at 6.5% for the Financial Year ("F.Y.") 2016-17, down from 7.6% recorded in the F.Y. 2015-16. It is expected to rebound in the range of 6.75%-7.5% in the F.Y. 2017-18. Over the long run, the implementation of the Goods and Services Tax (GST), follow-up to demonetization and enacting other structural reforms will take the Indian economy ahead.

### 2. **Industry Structure and developments:**

It has been witnessed that Steel & Wire Manufacturing Industry is growing very fast. The demand of wires is expected to increase in leaps and bounds in the years to come. The steel minister of India Shri Chaudhary Birender Singh, Speaking at the National Conference on Secondary Steel Sector in Delhi said that India is poised to emerge as the second largest producer of steel in the world by 2018. He further added that the steel Industry has to become a growth enabler for the manufacturing industry and catalyst for 'Make in India' campaign and the government is planning to more than double steel production capacity and per capita consumption from the present level. Also the budget this year had outlined an investment of Rs. 4 lakh crore on infrastructure that is expected to raise consumption of steel substantially.

### 3. **Our Business:**

Wire ropes are a value-added product, formed from wire rods, which falls in the long steel category of steel products. Over the years, with significant improvement in the strength of wire ropes manufactured, the usage of these wire ropes has significantly increased in various diverse applications. Wire rope consists of several strands of metal wire laid (twisted) into a helix. The term "cable" is often used interchangeably with "wire rope". Bharat Wire Ropes Limited ("**the Company**") is a leading wire rope & manufacturing company established in the year 1986.

The Company has a diverse product mix which includes a diverse product mix which includes Mechanically Spliced Slings, Hand Spliced Slings, Earth Wires, Stay Wires, Guy Wires and Spiral Strands. In addition to the above, the Company also has range of products like General Purpose Ropes, Fishing Ropes, Crane Ropes, Structural Ropes, Elevator Ropes, Mining Ropes, Oil & Gas Ropes & Shipping Ropes. The Company caters to

a rich mix of clients ranging from Overseas Consumers, Private Players, the entire Indian Defense Segment and Government and Semi – Government Organizations. Providing service to a variety of clients has helped the company develop versatility which makes it better equipped to handle diverse / heterogeneous kinds of enquiries.

Bharat Wire Ropes has a well-diversified customer base of more than 500 large and medium size customers across the country from different industries including oil & gas, mining, fishing, ports & marine, elevator, power transmission, railways, construction, infrastructure, defense, crane manufacturers, among others.

The Company has commenced commercial production on March 22, 2017 at its Chalisgaon factory which has an installed capacity of 66,000 MTPA which is further enhancing its capacity to manufacture wire ropes, structural strands and slings.

### 4. **Segment-wise or Product-wise performance:**

The Company believes that its ability to cater a wider customer base on account of its diversified product offering has enabled the Company to provide customization options to its valued customers. To further strengthen the Company's product mix, the efforts have been made to focus on niche sectors for providing wire ropes such as non-rotating ropes, suspension bridge ropes. The Company believes that its ability to provide a mix of high-value niche products along with being active in the volume segments has helped in balancing the Company's revenues. With the proposed capacity expansion and commissioning of Chalisgaon Plant, the Company envisages the strengthening of its ability to provide value-added products by having a greater range as well as capture a larger customer base with such increased range.

### 5. **Business Strategy:**

#### I. **Expansion of Company's presence in the domestic markets:**

The Company is undertaking various marketing activities to expand and enhance its presence in the existing business segments by identifying markets where it can provide cost effective, technically advanced products to its clients. The Company intends to focus on conducting technical workshops, seminars for customers/large scale end users to enhance their knowledge of rope applications and technical characteristics of ropes. The Company proposes to set-up branch offices in major cities where their major end-users are based to provide greater client-interfacing. For the purpose of catering to a large customer base, the Company proposes to

increase its distribution network by identifying and appointing dealers across all major cities. Further, the Company aims to procure product approvals/registrations from BIS and all major engineering consultants and equipment suppliers. The Company also aimed to build-up its sales force which will enable the Company effectively market their products in both domestic and international markets.

The Company has proper planning and execution system to achieve the target in shorter span. Planning strategy and other essentials to achieve the target are reviewed by Board of Directors of the Company at regular interval. The Company's vision is to be "World's Leading Wire Rope Company" and Management is discharging its responsibilities diligently.

## II. **Focus on development of international markets for the Company's Products:**

At present, the Company is focusing majorly on Domestic Market segment but the Company is on the verge of envisaging plans and strategy to enhance its presence in the international market.

The Company serves the South African, African and the Middle Eastern markets through some of the local wire rope dealers. Our other target markets are USA, Canada, Brazil, South-East Asia, Singapore, Middle East, Russia, Africa, Europe and Australia. The Company proposes to create a separate marketing team at its Head Office to co-ordinate with their local representatives, to be appointed, in all major strategic locations in the international markets in which the Company intend to sell its products.

For servicing the South East Asian countries, Australia and Vietnam, the Company proposes to set up a warehouse and sales office in Singapore, which owing to its infrastructure facilities in respect of ports, would serve as a suitable export hub. The Company also intends to enter the Russian and European markets by establishing a network of dealers.

## III. **Strengthening of product portfolio and developing capabilities to manufacture a wider range of products:**

The Company is utilizing its existing plant at optimum capacity in order to facilitate efficient utilization of resources. Management is planning to strengthen the product portfolio by developing capabilities to manufacture a wider range of products. To provide quality product at reasonable prices has always been the ultimate aim of the Company. The Company intends to manufacture wires independently, thereby

eliminating the dependency on the limited types of wires available in the market and enabling the Company to manufacture and offer an increased range of wire rope products, including but not limited to marketing high performance crane ropes for ports, large diameter spiral strands for structures and bridges, elevator ropes, high performance mining ropes, long-life-cycle fishing ropes, onshore and offshore ropes and special ropes for construction sector.

## IV. **Meeting Quality Standards and developing customer focus:**

Providing quality products at reasonable price has always been the ultimate aim of the Company. The Company has in place the strategy which supports Total Quality Management. Company's technically qualified persons are determined to achieve the objective of zero defects and minimal rejection. The Company has testing facilities to ensure that all our products are thoroughly tested prior to dispatch from our factory so that grievances can be minimized.

The Company proposes to enhance its efficiency by introducing advanced machinery and reducing its dependency on manual labour thereby capitalizing Company's method of production. For servicing the Company's growing need for a standard grade of wire rods, the Company proposes to establish formal tie-ups under rate contracts with reputed wire rod manufacturers. This will enable the Company to achieve Company's aim of providing quality products on a continuous basis. The Company has a team of well qualified persons to look after the grievances of customers.

## 6. **Opportunities ,Threats, Risk & Concerns:**

Your Company falls under the manufacturing of wire & steel segment which is quite cyclic. The demand for wire ropes is highly dependent on the growth & development of Infrastructure and Real estate sector. GDP of the country declined from 7.6% to 7.1% in the year 2016-17 due to demonetization and other financial concerns. Elevated growth is expected in the upcoming financial year due to the bold move of Demonetization.

Growth of the sector is depended on the enlargement of allied sectors. Forecasted plans and projections are subject to risk. Various kinds of risk associated with the development are Liquidity Risk, Market Risk, Operational Risk. Other dominant threats faced by the Company are in the form of competition it faces in the industry. In particular, the Company competes with other wire rope manufacturing companies, both in India and abroad, on the basis of a number of factors, including but not limited

to quality, time of delivery and price. Fluctuations in the price, availability and quality of raw materials used in our manufacturing process could have a material adverse effect on cost of sales or the Company's ability to meet customer demands. There can be no assurance that the Company will always be successful in its efforts to protect the business from the volatility of the market price of raw materials, and the business can be affected by dramatic movements in prices of raw materials.

The Company is investing adequate amount in technology to keep pace with the swiftly changing technological environment in order to compete efficiently, reduce competitiveness, and increasing the ability to develop new products and the consequential quality of the company's products. The Company expects competition in the business and pricing terms to increase and such competitive pressures could also lead to increases in expenses such as advertising and sales promotion and marketing expenses. Further, the Company may be required to undertake

effective marketing initiatives to deepen the presence of our brand and differentiate it from competition.

The Company has in place a Risk Management Committee which monitors risk tolerance limits, reviews and analyzes risk exposure related to specific issues and provides oversight of risk across the organization. The Board of Directors of your Company has in place a Risk Management Policy, which lays down guidelines in identifying, assessing and managing risks that the businesses are exposed to.

Risk is the vital factor of every business. The Company has in place a Risk management Committee which outlines the amount of risk involved in the business and various techniques for risk mitigation & Risk minimization. The Company believes that managing risks helps in maximizing returns. The Company's approach for addressing business risks is comprehensive and includes identification of Risks, periodic review of such risks and measures to for mitigating such risks.

<b>Key Risks</b>	<b>Impact on the Company</b>	<b>Mitigation</b>
A Slowdown in Economic Growth	Economic factors like increase in rate of inflation, scarcity of credit, increases in commodity and energy prices other factors such as political or regulatory action, including adverse changes in liberalization policies, business corruption, social disturbances, terrorist attacks and other acts of violence or war, natural calamities may impede Company's growth and expansion plans. Company's operations and financial condition may be adversely affected by, conditions in financial markets in the global economy.	To constantly review the changes in economic conditions and plan to mitigate the same.
Changes in Technology	Inability to keep pace with the rapidly changing Technological Environment adversely affect the Company's ability to compete efficiently, reduce competitiveness, ability to develop new products and the consequential quality of Company's products, and could also adversely affect sales and profitability.	To anticipate and respond on a timely basis and economical basis to technological advances in the sector which Company operates. Preventive maintenance activities will only be productive. Company needs to establish a process for monitoring lifecycle stages of equipment.
Supply of Raw Material	Disruption of supply of raw materials from our suppliers will adversely affect Company's operations and ability to deliver products on a timely basis.	To enter into understanding with the suppliers in respect of long term supply of raw material. Monitor price movement regularly and keep inventories of 2-3 months
Fluctuation in Cost of raw Material	The prices of Raw Material are subject to price fluctuation which may affect the Profitability and reduce supply leading to increase in supply costs due to which financial performance may be materially and adversely affected.	Timely anticipation of fluctuation in supply cost. Adapt to changing supply cost and adjusting purchasing practices accordingly to be able to negotiate favorable pricing terms with suppliers for such raw material.

Industrial Actions	The Company is exposed to strikes, work stoppages or increased wage demands by the employees or any other kind of disputes with employees of the Company could adversely affect its business and results of operations.	Be Proactive in addressing disputes & grievances. Address the issue as soon as the employee raise them.
Maintenance of adequate health and safety standards	Company is subject to the risk of industrial accidents which could have significant adverse consequences for Company's workers and facilities, as well as the environment. Such incidents could lead to production stoppages, the loss of key assets, or put at risk employees (including those of sub-contractors and suppliers) or persons living near the affected site. In addition, such incidents could damage Company's reputation, leading to the rejection of products by customers, These events could have a material adverse effect on the Company's revenues, results of operations, profitability and cash flows and diversion of management time into rebuilding and restoring its reputation.	Prevent worker contact with all rotating or moving machinery by using guards, enclosures, or guarding devices between the worker and the machine. Implement a lockout procedure. This will ensure that power to equipment is completely disconnected and cannot be reconnected while someone is working on the equipment.

**7. Internal Control System and their adequacy:**

Your Company has in place robust Internal Control system to maximize the effectiveness and efficiency by including activities that are tailored to the nature, size and complexity of the entity. The Company follows proper hierarchy for reporting of routine activities. Direct access to the senior Management is available in extreme cases. The Company has framed whistle blower policy to report concerned areas to the Management.

Management is responsible for establishing and maintaining internal financial controls. The Company has adequate Internal Control system with reference to financial statements and to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

**8. Financial Performance:**

The Financial statements of the Company are prepared in Compliance with the Companies Act, 2013 and significant accounting policies used for the preparation of financial

statements are disclosed in the notes to financial statement. The revenue of the Company for the financial year 2016-2017 was in line with previous year.

**9. Human Resource:**

Human Resources are capital of the Company. It could be invested through education and training which leads to an improvement in the quality and level of production. The Company has always given importance for developing individuals as well as teams. The system followed is transparent and performance based and it endeavors to retain, develop and provide better working environment to the employees by providing an atmosphere of trusteeship, competition and challenge, thereby providing opportunities for personal and professional growth through training and ample career enhancement opportunities.

The total strength of permanent employees as on March 31, 2017, is 515.

Bharat wire ropes Limited has shown full commitment towards employees, investors, contractors, consultants and all related personnel by providing safe working conditions along with other welfare measures.

On behalf of Board of Directors  
For **Bharat Wire Ropes Limited**

On behalf of Board of Directors  
For **Bharat Wire Ropes Limited**

**Murarilal Mittal**  
**Managing Director**  
**DIN: 00010689**

**Sushil R. Sharda**  
**Whole Time Director**  
**DIN: 03117481**

Date: May 27, 2017  
Place: Mumbai

## DIRECTORS' REPORT

Dear Members,

The Directors of your Company are pleased to present the 31<sup>st</sup> Annual Report and the Audited Financial Statements for the Financial Year ("F.Y.") ended March 31, 2017.

### 1. FINANCIAL PERFORMANCE

The performance of the Company is summarized below:

Particulars	2016 - 17	2015 - 16
Income from Business Operations	64,82,86,550	60,70,28,472
Other income	3,24,94,335	-
<b>Total Revenue</b>	<b>68,07,80,885</b>	<b>60,70,28,472</b>
Profit before Interest, Depreciation and Taxes	9,44,67,239	8,23,06,115
Less: Interest	2,54,19,823	3,72,14,014
Less: Depreciation	3,88,52,021	2,29,17,158
<b>Profit before Tax</b>	<b>3,01,95,395</b>	<b>2,21,74,943</b>
Less: Extra-ordinary Item (Goodwill Written Off)	-	-
Less: Current Income Tax	89,94,874	74,63,897
Less: Minimum Alternative Tax Credit Entitlement	(89,94,874)	-
Less: Deferred Tax	1,37,99,870	12,83,324
<b>Profit after Tax</b>	<b>1,63,95,525</b>	<b>1,34,27,721</b>

### 2. HIGHLIGHTS OF THE FINANCIAL SUMMARY

The total revenue of the Company for F.Y. 2016-17 at Rs. 68,07,80,885/- was higher by 12.15% over the previous years revenue (Rs. 60,70,28,472/-). The profit after tax of the company was Rs. 1,63,95,525/-, 22.10% higher than the previous year profit after tax (Rs. 1,34,27,721/-).

### 3. STATE OF AFFAIRS OF THE COMPANY'S

Bharat Wire Ropes Limited ("BWR" or "the Company") is one of the largest manufacturers of Wire, Wire Ropes, Stranded Wires and Slings in India, with an increasing global presence, catering more than 20 countries globally. The Company exports its varied products to USA, Singapore, Australia, South Africa, Kuwait, New Zealand, Vietnam, Bangladesh and Nepal. The Company is committed to increase its efficiency and productivity. The Company has commenced production on March 22, 2017 at Chalisgaon Plant which is expected to yield immense benefits in the years to come.

### 4. SHARE CAPITAL

The paid-up Share Capital of the Company as on March 31, 2017, was Rs. 44,95,22,480 consisting of 4,49,52,248 Equity Shares of Rs. 10 each. The shares of the Company are listed on the National Stock Exchange of India Ltd. and BSE Limited since April 1, 2016. During the F.Y., there was no change in the capital structure of the Company.

### 5. RESERVES AND DIVIDEND

The Company proposes to transfer an amount of Rs. 1,66,50,109/- (Rupees One Crore Sixty Six Lakh Fifty Thousand One Hundred and Nine ) to reserves for its future growth and diversification.

With a view to conserve the resources of the Company, your Directors do not recommend payment of any dividend on Equity Shares for the F.Y. ended March 31, 2017.

### 6. MEETINGS OF THE BOARD

During the period under review the Board of Directors met 5 (Five) times viz. on May 29, 2016, August 10, 2016, November 12, 2016, January 6, 2017 and February 11, 2017, the additional details of which are given in the Corporate Governance Report annexed herewith.

### 7. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Mayank Mittal (DIN: **00127248**) was appointed as an Additional Director of the Company on November 12, 2016 and was subsequently appointed as a Joint Managing Director of the Company vide Ordinary Resolution passed through Postal Ballot dated March 24, 2017. Mr. ShivKumar Malu (DIN: **05345172**), was appointed as an Additional Director (Non – Executive Independent) of the Company w.e.f. February 15, 2017 and is recommended for appointment as an Independent Director at the ensuing Annual General Meeting ("AGM").

Mr. Mahender Singh Arora was appointed as the Chief Executive Officer of the Company w.e.f. August 19, 2016 by the Board of Directors at its meeting held on August 10, 2016.

### 8. DIRECTOR RETIRING BY ROTATION

In accordance with the provisions of the Companies Act, 2013 ("the Act") and in terms of the Memorandum and Articles of Association of the Company, Ms. Ruhi Mittal (DIN: **07159227**) is liable to retire by rotation at the ensuing AGM and being eligible, has offered herself for re-appointment. Her re-appointment is being placed for your approval at the AGM. The Members of the Company may wish to refer to the accompanying Notice of the AGM of the Company, for a brief Resume of Ms. Mittal.

### 9. DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received declaration from all the Independent Directors under Section 149(7) of the Act, stating that they meet the criteria of independence laid down in Section 149(6) of the Act.

### 10. EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 92 of the Act read with Rule 12 of the Companies (Management and

Administration) Rules, 2014, the extracts of Annual Return in Form MGT-9 is annexed as '*Annexure A*' to this Report.

## 11. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, submits that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis;
- (e) The directors had laid down internal financial controls to be followed by the company and those internal financial controls were adequate and were operating efficiently; and

The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 12. AUDITORS

### Statutory Auditors

M/s. Sureka Associates, Chartered Accountants, Mumbai (Firm Registration No.: **110640W**) were appointed as the Statutory Auditors of the Company at the 29<sup>th</sup> Annual General Meeting to hold office until the conclusion of the 34<sup>th</sup> Annual General Meeting subject to ratification by the Members at every Annual General Meeting. M/s. Sureka Associates being eligible have expressed their willingness to continue as the statutory auditors of the company and accordingly your Directors seek ratification for the appointment of the statutory auditors for the financial year 2017-18.

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. Sureka Associates, Chartered Accountants, in their Report dated May 27, 2017, on the Financial Statements of the Company for F.Y. 2016-17.

### Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s. Abhishek Lakhotia and Co., Practicing Company Secretaries, to undertake the Secretarial Audit of the Company for the F.Y. ended March 31, 2017. The Secretarial Audit Report is annexed as '*Annexure B*'.

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. Abhishek Lakhotia and Co., Practicing Company Secretaries, in their Secretarial Audit Report dated May 23, 2017 on the Secretarial and other related records of the Company for F.Y. 2016-17.

## 13. POLICY FOR DETERMINING DIRECTORS' ATTRIBUTES AND REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT EMPLOYEES

Pursuant to Section 178 of the Act, the Board has devised Board Diversity and Remuneration Policy for determining director attributes and remuneration of Directors, Key Managerial Personnel and Senior Management Employees. The Nomination and Remuneration Policy, has been framed to encourage diversity of thought, experience, knowledge, perspective, age and gender in the Board and to ensure that the level and composition of the remuneration of Directors, Key Managerial Personnel and all other employees are reasonable and sufficient to attract, retain and motivate them to successfully run the Company. The said Policy is attached as '*Annexure C*' to the Boards' Report.

## 14. PERFORMANCE EVALUATION OF BOARD, COMMITTEES AND DIRECTORS

The evaluations for the individual Directors, the Board as a whole and the Committees of the Board were undertaken by the Board of Directors. The performance of the Board was assessed on select parameters related to roles, responsibilities and obligations of the Board and functioning of the Committees including assessing the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The evaluation criteria for the Directors were based on their participation, contribution and offering guidance to and understanding of the areas which were relevant to them in their capacity as members of the Board. The evaluation of Committees were based on Contribution to decisions of the Board, Independence of the Committee from the Board, Effectiveness of the Committee etc.



## **15. BUSINESS RISK MANAGEMENT**

The Company has laid down Risk Management Policy to identify risks inherent in the business operations of the Company which provides guidelines to define, measure, report, control and mitigate the identified risks. An enterprise-wide risk management framework is applied so that effective management of risks can be done. Risk is an integral part of every employee's job. The Audit Committee and Risk Management Committee plays an important role in evaluation of the risk management systems. The Policy is devised for identification of elements of risks and procedures for reporting the same to the Board. The Board reviews the business plan at regular intervals and develops the Risk Management Strategy which shall encompass laying down guiding principles on proactive planning for identifying, analyzing and mitigating all the material risks, both external and internal viz. Environmental, Business, Operational, Financial and others.

## **16. CORPORATE SOCIAL RESPONSIBILITY**

The Company does not fall under the criteria of undertaking Corporate Social Responsibility activities as per the section 135 of the Act.

## **17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT**

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to the financial statements provided in this Annual Report.

## **18. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All related party transactions that were entered and executed during the year under review were at arms' length basis. None of the transactions with related parties falls under the scope of section 188(1) of the Act. Thus, disclosure in form AOC-2 in terms of Section 134 of the Companies Act, 2013 is not required

## **19. VIGIL MECHANISM**

The Company has established a Vigil Mechanism for its Directors and employees to report their genuine concerns or grievances. The said mechanism encompasses the Whistle Blower Policy and provides for adequate safeguards against victimization of persons who use the mechanism. It also provides direct access to the Chairman of the Audit Committee in appropriate and exceptional cases. The Vigil Mechanism and Whistle Blower Policy are available on the Company's website.

## **20. DETAILS REGARDING BHARAT WIRE ROPES LIMITED EMPLOYEE STOCK OPTION PLAN, 2017 ("BWR ESOP 2017")**

The Company has formulated the Bharat Wire Ropes Limited Employee Stock Option Plan, 2017 ("BWR ESOP 2017"), for grant of Stock Options to certain employees of the Company. BWR ESOP 2017 was approved by the Members pursuant to the Special Resolution passed through Postal Ballot. However, there was no grant of option in F.Y. 2016-2017.

## **21. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS**

There were no significant/material orders passed by the regulators or courts or tribunals impacting the going concern status of your Company and its future operations.

## **22. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information pertaining to conservation of energy, technology absorption, Foreign Exchange Earnings and outgo as required under Section 134 (3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is as under:

### **(A) Conservation of Energy:**

#### Steps taken for utilizing alternate source of energy:

The Company has taken every necessary step for conservation of energy by installing LED lights at plant, buildings and offices which consumes 80% less electricity as compared to the traditional lighting arrangements. Energy efficient utility equipment like pump and Compressor are controlled by Variable frequency drives which saves 20 to 30 percent electricity.

#### Steps taken for conservation of energy:

The Company has installed Energy efficient transformer in order to reduce the loss for power transformation on our projects. Total loss (no load loss and full load loss) is reduced to 1% from 3%. Automatic power factor panel has been installed to control power factor automatically. The Company receives 8% incentive p.a. on its total bill by the Electricity Board.

### **(B) Technology Absorption:**

There have been no technology changes in the company during the year under review, but company is under process to bring technological revolution by installing high end technology for its new plant in MIDC, Chalisgaon, Maharashtra.

**(C) Foreign exchange earnings and Outgo:**

Sr. No.	Particulars	2016-2017	2015-2016
1.	Foreign Exchange Earnings	3,60,63,641	3,27,90,308
2.	Value of Direct Import (C. I. F Value)	1,26,43,72,928	68,04,10,076
3.	Expenditure in Foreign Currency	4,93,42,450	33,29,197

**23. COMPLIANCE WITH PROVISIONS OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company is committed to uphold and maintain the dignity of women employees and an Internal Complaints Committee has been formed for each location of the Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has framed Sexual harassment policy to prevent sexual harassment of women at work place. No case of Sexual harassment was reported to the Internal Complaints Committee during the year under review.

**24. PARTICULARS OF EMPLOYEES**

The information required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below.

**The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year 2016-17:**

Name of the Directors	Ratio to the median Remuneration
<b>Non-Executive directors</b>	N.A. as they have only received sitting fees for attending meetings of the Board and its Committees during the Financial Year 2016-17
<b>Executive directors</b>	
Mr. Murarilal Mittal (Managing Director)	22.16
*Mr. Mayank Mittal (Jt. Managing Director)	--
Mr. Sushil R. Sharda (Whole-Time Director)	11.69
Mr. Sumit Kumar Modak (Whole-Time Director)	12.94
Mr. Venkateswararao Kandikuppa (Whole-Time Director)	8.27

\*Ratio of Remuneration of Mr. Mayank Mittal is not reported since he was holding Directorship for the part of the financial year.

**(i) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:**

Directors, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
<b>Non-Executive directors</b>	N.A. as they have only received sitting fees for attending meetings of the Board and its Committees during the Financial Year 2016-17
Mr. Murarilal Mittal (Managing Director)	71.21
*Mr. Mayank Mittal (Jt. Managing Director)	--
Mr. Sushil R. Sharda (Whole-Time Director)	27.78
Mr. Sumit Kumar Modak (Whole-Time Director)	22.59
Mr. Venkateswararao Kandikuppa (Whole-Time Director)	(10.98)
**Mr. Mahender Singh Arora (Chief Executive Officer)	--
Mr. Rakesh Kumar Jain (Chief Financial Officer)	13.23
Mr. Shailesh Rakhasiya (Company Secretary & Compliance Officer)	72.38

\*Mr. Mayank Mittal was appointed as Joint Managing Director of the Company w.e.f. November 12, 2016 therefore increase in the remuneration is not reported.

\*\*Mr. Mahendar Singh Arora was appointed as CEO of the Company w.e.f. August 19, 2016, therefore increase in the remuneration is not reported.

**(ii) The percentage increase in the median remuneration of employees in the financial year:**

Particulars	2015-2016 (Rs.)	2016-2017 (Rs.)	% Increase
Median remuneration of all employees per annum	2,27,918	2,54,964	11.87

(iii) **The number of permanent employees on the rolls of Company:** There were 515 (Five Hundred and Fifteen) permanent employees as on March 31, 2017.

(iv) **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:**

The average increase in the salaries of employees excluding Managerial Personnel during Financial Year 2016-17 was 4.43%. The average increase in the Remuneration of Managerial Personnel during the Financial Year 2016-2017 was 29.04%. The increase in the remuneration of Managerial Personnel was due to the increase in their remuneration of Managing Director and Whole-Time Director which was based on Company's Performance and their Individual Performance.

**(v) Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Company affirms remuneration is as per the remuneration policy of the Company.

**25. MATERIAL CHANGES AND COMMITMENTS**

There are no material changes or commitments affecting the financial position of the Company which have occurred between March 31, 2017 and May 27, 2017, being the date of this report.

**26. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The Company has a robust internal control system commensurate with the size and scale of its operations. Roles and responsibilities are clearly defined and assigned. Standard operating procedures are in place by way of built in controls in ERP system and have been designed to provide a reasonable assurance. A reputed CA firm has also been engaged for internal audit, covering all units

and business operations. The Audit Committee reviews the adequacy and effectiveness of internal control systems and provides guidance for further strengthening them. Apart from having all policies, procedures and internal audit mechanism in place, your Company also periodically engages outside experts to carry out an independent review of the effectiveness of various business processes. The observations and good practices suggested are reviewed by the Management and Audit Committee and appropriately implemented with a view to continuously strengthen internal controls.

**27. ACKNOWLEDGEMENT**

The Board of Directors place on record their sincere thanks to its bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Company during the year under review. The Directors gratefully acknowledge the support and confidence reposed by the shareholders on your company.

On behalf of Board of Directors  
For **Bharat Wire Ropes Limited**

**Murarilal Mittal**  
**Managing Director**  
**DIN: 00010689**

**Sushil R. Sharda**  
**Whole-time Director**  
**DIN: 03117481**

May 27, 2017  
Mumbai

**Annexure - A**

**Form No. MGT 9**

**EXTRACT OF ANNUAL RETURN**

{Pursuant to Section 92 (3) of Act and Rule 12 (1) of the Company (Management & Administration) Rules, 2014}

**I. REGISTRATION & OTHER DETAILS**

1	CIN	L27200MH1986PLC040468
2	Registration Date	July 24, 1986
3	Name of the Company	Bharat Wire Ropes Limited
4	Category/Sub-Category	Public Company/Limited by Shares
5	Address of the Registered Office and Contact Details	Plot 1 & 4, Atgaon Industrial Complex, Mumbai – Nasik Highway, Atgaon (East), Taluka Shahpur, Thane – 421601 Email Id.: <a href="mailto:investors@bharatwireropes.com">investors@bharatwireropes.com</a> Ph. No.: +91 2527 240123/4 Fax No.: +91 2527 240196
6	Whether Listed company	Yes
7	Name, Address & Contact details of Registrar & Transfer Agent, If Any.	<b>Karvy Computershare Private Limited</b> Unit: Bharat Wire Ropes Limited, Karvy Selenium, Tower B, Plot Number 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032, India. <b>Contact Person:</b> Mr. Suresh Babu D Deputy Manager - RIS Tel: +91 040 6716 1518 Email: <a href="mailto:suresh.d@karvy.com">suresh.d@karvy.com</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)

Sr. No.	Name and Description of main products / Services	NIC Code of the Products / Services	% to the total turnover of the Company.
1	Wires, Wire Ropes, Stranded Wires, etc.	1394	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sr. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% of Shares	Applicable Section
1	Gaji Mercantile Private Limited 1601, Marathon Heights, Jai Bharat Oil Mills Compound, P. Budhakar Marg, Mumbai –400 013	U51900MH2010PTC202821	Holding Company	57.12 %	2(46)

**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 i.e. April 1, 2016				No. of Shares held at the end of the year i.e. March 31, 2017				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.</b>	<b>Promoters</b>									
<b>(1)</b>	<b>Indian</b>									
(a)	Individual /HUF	4	--	4	0.00	100004	--	100004	0.22	0.22
(b)	Central Government	--	--	--	--	--	--	--	--	--
(c)	State Government	--	--	--	--	--	--	--	--	--
(d)	Bodies Corporate	25675485	--	25675485	57.12	27389854	--	27389854	60.93	3.81
	Banks/FI	--	--	--	--	--	--	--	--	--
	Any Other	--	--	--	--	--	--	--	--	--
	<b>Sub-total(A)(1):-</b>	<b>25675489</b>	<b>--</b>	<b>25675489</b>	<b>57.12</b>	<b>27489858</b>	<b>--</b>	<b>27489858</b>	<b>61.15</b>	<b>4.03</b>
<b>(2)</b>	<b>Foreign</b>									
(a)	NRIs -Individual	--	--	--	--	--	--	--	--	--
(b)	Other - Individual	--	--	--	--	--	--	--	--	--
(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</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total Shareholding of Promoter (A) = (A)(1) + (A)(2)</b>	<b>25675489</b>	<b>--</b>	<b>25675489</b>	<b>57.12</b>	<b>27489858</b>	<b>--</b>	<b>27489858</b>	<b>61.15</b>	<b>4.03</b>
<b>B.</b>	<b>Public Shareholding</b>									
<b>1.</b>	<b>Institutions</b>									
(a)	Mutual Funds	3920309	--	3920309	8.72	200000	--	200000	0.44	(8.28)
(b)	Banks/FI	4817480	--	4817480	10.72	1056196	--	1056196	2.35	(8.37)
(c)	Central Government	--	--	--	--	--	--	--	--	--
(d)	State Governments	--	--	--	--	--	--	--	--	--
(e)	Venture Capital Funds	--	--	--	--	546502	--	546502	1.22	1.22
(f)	Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
(g)	Insurance Companies	--	--	--	--	--	--	--	--	--
(h)	FII's	--	--	--	--	225000	--	225000	0.50	0.50
(i)	Foreign Portfolio Investor	2850128	--	2850128	6.34	107847	--	107847	0.24	(6.10)
(j)	Others (Specify)	--	--	--	--	--	--	--	--	--
	<b>Sub-total (B)(1):-</b>	<b>11587917</b>	<b>0</b>	<b>11587917</b>	<b>25.78</b>	<b>1955545</b>	<b>--</b>	<b>1955545</b>	<b>4.35</b>	<b>(21.03)</b>
<b>2.</b>	<b>Non-Institutions</b>									
(a)	Bodies Corporate									
	(i) Indian	--	--	--	--	6790146	--	6790146	15.11	15.11
	(ii) Overseas	--	--	--	--	--	--	--	--	--
(b)	Individuals									
	(i) Individual shareholder holding nominal share capital up to Rs. 2 Lakh	1923518	--	1923518	4.28	2349313	7	2349320	5.22	0.94

	(i) Individual shareholders holding nominal share capital in excess of Rs. 2 Lakh	4777762	--	4777762	10.63	4076333	--	4076333	9.07	(1.56)
(c)	Others (Specify)	987562	--	987562	0.50	2291053	--	2291046	4.70	4.20
	<b>Sub-total (B)(2):-</b>	<b>7688835</b>	<b>--</b>	<b>7688842</b>	<b>17.10</b>	<b>15506838</b>	<b>7</b>	<b>15506845</b>	<b>34.49</b>	<b>18.69</b>
	<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>19276752</b>	<b>--</b>	<b>19276759</b>	<b>42.88</b>	<b>17462383</b>	<b>7</b>	<b>17462390</b>	<b>38.83</b>	<b>(2.34)</b>
C.	Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
	<b>Grand Total (A+B+C)</b>	<b>44952248</b>	<b>--</b>	<b>44952248</b>	<b>100</b>	<b>44952241</b>	<b>7</b>	<b>44952248</b>	<b>100</b>	<b>-</b>

**(ii) Shareholding of Promoters**

Sr. No.	Shareholder's Name	No. of Shares held at the beginning of the year i.e. April 1, 2016			No. of Shares held at the end of the year i.e. March 31, 2017			% Change in share holding during the year
		No. of Share	% of total Shares of the Company	% of Shares Pledge/ encumbered to total shares	No. of Share	% of total Shares of the Company	% of Shares Pledge/ encumbered to total shares	
1	Gaji Mercantile Private Limited	2,56,75,484	87.345	--	2,56,75,484	57.12	--	57.12
2	Gyanshankar Investment & Trading Co. Private Limited	1	0.00	--	1714370	3.81	--	3.81
3	M. L. Mittal (HUF)	1	0.00	--	1	0.00	--	-
4	Mr. Murarilal Mittal	1	0.00	--	1	0.00	--	-
5	Mr. Mayank Mittal	1	0.00	--	100001	0.22	--	0.22
6	Mrs. Usha Mittal	1	0.00	--	1	0.00	--	-
		<b>2,56,75,489</b>	<b>57.12</b>	<b>--</b>	<b>27489857</b>	<b>61.15</b>	<b>--</b>	<b>4.03</b>

**(iii) Change in Promoter's Shareholding:**

Sr. No.		Shareholding at the Beginning of the year i.e. April 1, 2016		Cumulative Shareholding during the year i.e. March 31, 2017	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Gyanshankar Investment & Trading Co. Pvt. Ltd.				
	At the beginning of the year	1	0.00	1	0.00
	Purchase of shares on 07.04.2016	100000	0.22	100001	0.22
	Purchase of shares on 12.04.2016	1184369	2.63	1284370	2.86
	Purchase of shares on 02.05.2016	30000	0.07	1314370	2.92
	Purchase of shares on 11.05.2016	400000	0.88	1714370	3.81
	At the end of the year	1714370	3.81	1714370	3.81
2.	Mayank Mittal				
	At the beginning of the year	1	0.00	1	0.00
	Purchase of shares on 13.05.2016	100000	0.22	100001	0.22
	At the end of the year	100001	0.22	100001	0.22

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters):**

S r. No.	For Each of the Top 10 Shareholders	Shareholding at the Beginning of the year i.e. April 1, 2016		Cumulative Shareholding during the year i.e. March 31, 2017	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	<b>Motilal Gopilal Oswal#</b>				
	At the beginning of the year	18,84,217	4.19	18,84,217	4.19
	<b>Sale of shares on during the financial year</b>	(18,84,217)	(4.19)	(18,84,217)	(4.19)
	At the end of the year (or on the date of separation, if separated during the year)	Nil	Nil	Nil	Nil
2	<b>Sunderji M. Shah (HUF)</b>				
	At the beginning of the year	5,53,091	1.23	5,53,091	1.23
	Data wise Increase/Decrease in Shareholding during the year specifying the reasons for Increase/Decrease (e.g. Allotment /transfer /bonus /sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year (or on the date of separation, if separated during the year)	5,53,091	1.23	5,53,091	1.23
3	<b>Dinesh S. Shah (HUF)</b>				
	At the beginning of the year	5,25,900	1.79	5,25,900	1.17
	Data wise Increase/Decrease in Shareholding during the year specifying the reasons for Increase/Decrease (e.g. Allotment /transfer /bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year (or on the date of separation, if separated during the year)	5,25,900	1.79	5,25,900	1.17
4	<b>Devchand M. Shah (HUF)</b>				
	At the beginning of the year	4,76,500	1.62	4,76,500	1.06
	Data wise Increase/Decrease in Shareholding during the year specifying the reasons for Increase/Decrease (e.g. Allotment/ transfer/ bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year (or on the date of separation, if separated during the year)	4,76,500	1.62	4,76,500	1.06
6	<b>Aeon Trading LLP*</b>				
	At the beginning of the year	1,04,275	0.23	1,04,275	0.23
	<b>Purchase of shares on during the financial year</b>	11,47,800	2.55	11,47,800	2.55
	At the end of the year (or on the date of separation, if separated during the year)	12,52,075	2.78	12,52,075	2.78
7	<b>Union Bank of India</b>				
	At the beginning of the year	20,50,121	4.56	20,50,121	4.56
	<b>Sale of shares on during the financial year</b>	(9,93,925)	(2.21)	(9,93,925)	(2.21)
	At the end of the year (or on the date of separation, if separated during the year)	10,56,196	2.35	10,56,196	2.35
8	<b>Deepak Veera*</b>				
	At the beginning of the year	Nil	Nil	Nil	Nil
	<b>Purchase of shares on during the financial year</b>	9,72,000	2.16	9,72,000	2.16
	At the end of the year (or on the date of separation, if separated during the year)	9,72,000	2.16	9,72,000	2.16
9	<b>Bela Properties Pvt. Ltd.*</b>				
	At the beginning of the year	Nil	Nil	Nil	Nil
	<b>Purchase of shares on during the financial year</b>	8,25,000	1.84	8,25,000	1.84
	At the end of the year (or on the date of separation, if separated during the year)	8,25,000	1.84	8,25,000	1.84

10	<b>Next Orbit Ventures Fund</b>				
	At the beginning of the year	39,20,309	8.72	39,20,309	8.72
	<b>Sale of shares on during the financial year</b>	(33,73,807)	(7.51)	(33,73,807)	(7.51)
	At the end of the year (or on the date of separation, if separated during the year)	5,46,502	1.21	5,46,502	1.21
11	<b>Vincent Trading Pvt. Ltd.*</b>				
	At the beginning of the year	Nil	Nil	Nil	Nil
	<b>Purchase of shares on during the financial year</b>	5,21,465	1.16	5,21,465	1.16
	At the end of the year (or on the date of separation, if separated during the year)	5,21,465	1.16	5,21,465	1.16
12	<b>Bank of Baroda#</b>				
	At the beginning of the year	20,50,398	4.56	20,50,398	4.56
	<b>Sale of shares on during the financial year</b>	(20,50,398)	(4.56)	(20,50,398)	(4.56)
	At the end of the year (or on the date of separation, if separated during the year)	Nil	Nil	Nil	Nil
13	<b>Cresta Fund Ltd.#</b>				
	At the beginning of the year	15,50,186	3.45	15,50,186	3.45
	<b>Sale of shares on during the financial year</b>	(15,50,186)	(3.45)	(15,50,186)	(3.45)
	At the end of the year (or on the date of separation, if separated during the year)	Nil	Nil	Nil	Nil
14	<b>State Bank of Bikaner and Jaipur#</b>				
	At the beginning of the year	7,16,961	1.59	7,16,961	1.59
	<b>Sale of shares on during the financial year</b>	(7,16,961)	(1.59)	(7,16,961)	(1.59)
	At the end of the year (or on the date of separation, if separated during the year)	Nil	Nil	Nil	Nil
15	<b>Leman Diversified Fund#</b>				
	At the beginning of the year	6,09,002	1.35	6,09,002	1.35
	<b>Sale of shares on during the financial year</b>	(6,09,002)	(1.35)	(6,09,002)	(1.35)
	At the end of the year (or on the date of separation, if separated during the year)	Nil	Nil	Nil	Nil

\*Not in the list of Top 10 shareholders as on April 1, 2016. The same has been reflected above since the shareholders were one of the Top 10 Shareholders as on March 31, 2017

#Ceased to be in the list of Top 10 shareholders as on March 31, 2017. The same has been reflected above since the shareholders were one of the Top 10 Shareholders as on April 1, 2016.

(v) **Shareholding of Directors and Key Managerial Personnel:**

S r . No.	Name of Directors and Key Managerial Personnel	Shareholding at the Beginning of the year i.e. April 1, 2016		Cumulative Shareholding during the year i.e. March 31, 2017	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
<b>Directors</b>					
1	<b>Mr. Murarilal Mittal</b>				
	At the beginning of the year	1	Negligible	1	Negligible
	Data wise Increase/Decrease in Shareholding during the year specifying the reasons for Increase/Decrease (e.g.Allotment/transfer/bonus/sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	1	Negligible	1	Negligible

2	<b>Mr. Mayank M. Mittal</b>				
	At the beginning of the year	1	Negligible	1	Negligible
	<b>Purchase of shares during the financial year</b>	100000	0.22	100000	0.22
	At the end of the year	100001	0.22	100001	0.22
3	<b>Mr. Sushil R. Sharda</b>				
	At the beginning of the year	4501	0.01	4501	0.01
	Data wise Increase/Decrease in Shareholding during the year specifying the reasons for Increase/Decrease(e.g. Allotment/transfer/bonus/sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	4501	0.01	4501	0.01
4	<b>Mr. Venkateswararao Kandikuppa</b>				
	At the beginning of the year	19700	0.04	19700	0.04
	<b>Purchase of shares during the financial year</b>	1876	0.004	1876	0.004
	At the end of the year	21576	0.05	21576	0.05
5	<b>Mr. Shiv Kumar Malu</b>				
	At the beginning of the year	Nil	Nil	Nil	Nil
	<b>Purchase of shares during the financial year</b>	3500	0.01	3500	0.01
	At the end of the year	3500	0.01	3500	0.01
<b>Key Managerial Personnel</b>					
6	<b>Mr. Mahender S. Arora (CEO)</b>				
	At the beginning of the year	Nil	Nil	Nil	Nil
	<b>Purchase of shares during the financial year</b>	51259	0.11	51259	0.11
	At the end of the year	51259	0.11	51259	0.11
7	<b>Mr. Rakesh K. Jain (CFO)</b>				
	At the beginning of the year	900	Negligible	900	Negligible
	<b>Sale of shares during the financial year</b>	(900)	Negligible	(900)	Negligible
	At the end of the year	Nil	Nil	Nil	Nil
8	<b>Mr. Shailesh V.Rakhasiya (CS)</b>				
	At the beginning of the year	4200	0.009	4200	0.009
	<b>Purchase of shares during the financial year</b>	1000	0.002	1000	0.002
	At the end of the year	5200	0.01	5200	0.01

**V. INDEBTEDNESS:**
**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
(i) Principal Amount	1,22,79,76,992	32,97,18,514	--	1,55,76,95,506
(ii) Interest due but not paid	--	--	--	--
(iii) Interest accrued but not due	7,19,854	--	--	7,19,854
<b>Total (i+ii+iii)</b>	1,22,79,76,992	32,97,18,514	--	1,55,76,95,506
<b>Charge in Indebtedness during the financial year</b>				
• Addition	1,79,75,76,127	--	--	1,79,75,76,127

• Reduction	--	(3,11,76,943)	--	<b>(3,11,76,942)</b>
<b>Net Change</b>	1,79,75,76,127	(3,11,76,943)	--	1,76,63,99,203
<b>Indebtedness at the end of the financial year</b>			--	
(i) Principal Amount	3,02,55,53,119	29,85,41,571	--	3,32,40,94,690
(ii) Interest due but not paid	--	--	--	--
(iii) Interest accrued but not due	30,03,568	--	--	30,03,568
<b>Total (i+ii+iii)</b>	<b>3,02,85,56,687</b>	<b>29,85,41,571</b>	--	<b>3,32,70,98,258</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Sr. No.	Particulars of Remuneration	Murarilal Mittal	Mayank Mittal*	Sushil Sharda	KV Rao	Sumit Modak
1.	Gross salary	56,50,002	44,70,155	29,80,800	21,08,396	32,99,697
	a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					
	b. Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--	--	--
	c. Profits in lieu of salary u/s 17(3) Income-tax Act, 1961	--	--	--	--	--
2.	Stock Option	--	--	--	--	--
3.	Sweat Equity	--	--	--	--	--
4.	Commission	--	--	--	--	--
	- as % of profit	--	--	--	--	--
5.	Others, please specify	--	--	--	--	--
	<b>Total(A)</b>	<b>56,50,002</b>	<b>44,70,155</b>	<b>29,80,800</b>	<b>21,08,396</b>	<b>32,99,697</b>
	Ceiling as per the Act – 10% of Net Profits					

\*Mr. Mayank Mittal was appointed as Joint Managing Director of the Company for part of the financial year.

### B. Remuneration to other Directors:

(Amount in Rs.)

Particulars of Remuneration	Name of Directors				Total Amount
	Supratik Chatterjee	Anthony D'Souza	Asit Pal	ShivKumar Malu*	
<b>(i) Independent Directors</b>					
• Fees for attending board, committee meetings	1,00,000	92,500	1,00,000	--	2,92,500
• Commission	--	--	--	--	--
• Others, please specify	--	--	--	--	--
<b>Total (1)</b>	<b>1,00,000</b>	<b>92,500</b>	<b>1,00,000</b>		<b>2,92,500</b>
<b>(ii) Other Non-Executive Directors</b>	<b>Ruhi Mittal</b>	--	--	--	--
• Fees for attending board, committee meetings	10,000	--	--	--	--
• Commission	--	--	--	--	--
• Others, please specify	--	--	--	--	--
<b>Total (2)</b>	<b>10,000</b>	--	--	--	<b>10,000</b>
<b>Total (B) = (1+2)</b>	--	--	--	--	<b>3,02,500</b>
<b>Total Managerial Remuneration</b>					

\*Mr. Shiv Kumar Malu was appointed as an Additional Director (Non-Executive Independent) w.e.f. February 15, 2017

**C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD:**

Particulars of Remuneration	*M.S. Arora (Chief Executive Officer)	Shailesh Rakhasiya (Company Secretary)	Rakesh Jain (Chief Financial Officer)	Total
Gross salary	41,48,659	4,83,436	19,71,738	66,03,833
a. Salary as per provisions contained in Section 17(1) of the Income -tax Act,1961	--	--	--	--
b. Value of perquisites u/s17(2)Income-TaxAct,1961	--	--	--	--
c. Profits in lieu of salary undersection17(3)Income-taxAct,1961	--	--	--	--
Stock Option	--	--	--	--
Sweat Equity	--	--	--	--
Commission - as% of profit -others, specify...	--	--	--	--
Others, please specify	--	--	--	--
<b>Total</b>	<b>41,48,659</b>	<b>4,83,436</b>	<b>19,71,738</b>	<b>66,03,833</b>

\*Mr. Mahendar Singh Arora was appointed as CEO of the Company w.e.f. August 19, 2016, therefore increase in the remuneration is not provided.

**D. 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	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
<b>B. DIRECTORS</b>					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--

**Annexure - B**

**Form MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017

[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,  
**BHARAT WIRE ROPES LIMITED**

I had conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BHARAT WIRE ROPES LIMITED** (hereinafter called “the company”) bearing CIN: L27200MH1986PLC040468. Secretarial Audit was conducted in a manner that provided by me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **BHARAT WIRE ROPES LIMITED** 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2017(‘Audit Period’) has prima-facie 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:

I further report that, I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31<sup>st</sup> March, 2017 according to the provision of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- iii. 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; **(not applicable to the company during the audit period)**
- iv. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) viz.:-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading Regulations, 2015;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(not applicable to the company during the audit period)**
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(not applicable to the company during the audit period)** and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(not applicable to the company during the audit period)**
- i. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.
- vi. There are other laws as may be applicable to the Company on the basis of documents/information produced before us:-
  - a) The Standards of Weights and Measures Act, 1976;
  - b) Payment of Wages Act, 1936;
  - c) Minimum Wages Act, 1948;
  - d) Employees State Insurance Act, 1948;
  - e) Employees Provident Fund and Miscellaneous Provisions Act, 1952;
  - f) Payment of Bonus Act, 1965;
  - g) Payment of Gratuity Act, 1972;
  - h) Contract Labour (Regulation and Abolition) Act, 1970;
  - i) Maternity Benefit Act, 1961;



- j) Child Labour (Prohibition and Regulation) Act,1986;
- k) Industrial Employment (Standing Order) Act,1964;
- l) Employee Compensation Act,1923 (earlier known as Workmen’s Compensation Act,1923);
- m) Equal Remuneration Act,1976;
- n) Competition Act,2002;
- o) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 & Rules.

I have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India.

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

**I 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. During the audit period the company have appointed Mr. Shivkumar Ramkishan Malu as an Additional Director, Mr. Mayank Mittal as Jt. Managing Director and Mr. Mahender Singh Arora as Chief Executive Officer of the Company.

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

Majority decision is carried through unanimous resolution. No dissenting views are captured and recorded as part of the Minutes.

**I further report that** there are generally 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 & guidelines.

I further report that during the audit period the Company has Made Initial Public Offer of 1,55,55,555 Equity Shares to the public at Rs.10 each at premium of Rs. 35/- on March, 30 2016 and was listed on April, 1<sup>st</sup> 2016 on the stock exchanges; and

The members have approved the ESOP scheme Bharat Wire Ropes Limited Employee Stock Option Plan (“BWR ESOP 2017”) and grant of 22,25,000 Stock Option to Eligible Employees of the Company.

**For Abhishek Lakhotia & Co.**

**(Abhishek Lakhotia)**  
**M.No.- F9082**  
**CP No.-10547**

**Place: Mumbai**

**Date : May 23, 2017**

**Note:** This report is to be read with my Annexure ‘A’ of even date which are annexed and forms an integral part of this report.

**‘ANNEXURE - A’**

My Secretarial Audit Report of even date is to be read along with this letter:

**Management Responsibility :**

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.

**Auditors Responsibility :**

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records and other Legal compliances as declared by the Company. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer :**

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Abhishek Lakhotia & Co.**

**(Abhishek Lakhotia)**  
**M.No.- F9082**  
**CP No.-10547**

**Place: Mumbai**

**Date : May 23, 2017**

## Annexure - C

### NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 (“the Act”) read along with the applicable rules thereto and Regulation 19 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 (“the Listing Regulations”), as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

#### 1. Introduction

The Company considers human resources as an invaluable asset. The policy is intended to harmonise the aspirations of the Directors / employees with the goals and objectives of the Company.

As a part of a progressive HR philosophy, it is imperative for the Company to have a comprehensive compensation policy which is in sync with the industry trends and is also employee friendly.

#### 2. Definitions

- 2.1 “Act” means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- 2.2 “Applicable Laws” means the Act and Listing Regulations.
- 2.3 “Board” means the Board of Directors of the Company.
- 2.4 “Company” means Bharat Wire Ropes Limited.
- 2.5 Nomination & Remuneration Committee or Committee” means a Committee of the Board acting as the Nomination and Remuneration Committee pursuant to section 178 of the Act and Regulation 19 of Listing Regulations.
- 2.6 “Directors” mean Directors of the Company;
- 2.7 “Key Managerial Personnel or KMP” means
  - a. Chief Executive Officer or the Managing Director (MD) or the Manager;
  - b. Whole-time director (WTD);
  - c. Chief Financial Officer;
  - d. Company Secretary; and
  - e. such other officer as may be prescribed.
- 2.8 “Independent Director” means a director referred to in Section 149(6) of the Act and Listing Regulations.
- 2.9 “MD & CEO” shall mean the Managing Director and Chief Executive Officer of the Company.
- 2.10 “Policy or this Policy” means the Policy on Nomination, Removal, Remuneration and Board Diversity.
- 2.11 “Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income Tax Act, 1961.
- 2.12 “Senior Management Personnel” mean personnel of the Company who are members of its core management team excluding the Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

#### 3. Objective

The objective of the policy is to ensure that:

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

#### 4. Role of the Committee

The role of the NRC will be the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of performance of Independent Directors and the Board of Directors.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- The remuneration / compensation / commission etc. to Directors will be determined by the Committee and shall be recommended to the Board for approval.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

#### 5. Appointment of Director, KMP and Senior Management

- The Committee will have the responsibility and authority to decide the essential and desirable skills/competencies/ expertise/experience/criteria of independence required from the individuals for the office of Directors, KMP & Senior Management Personnel.
- The expertise required from the Directors, KMP and Senior Management Personnel would be defined based on the Company’s strategy and needs.
- The Committee shall review the criteria for the role and define the role specifications for the appointment.

#### 6. Term

##### • Managing Director/Whole-Time Director:

The Company shall appoint or re-appoint any person as its Managing Director and CEO or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

- **Independent Director:**

Subject to the provisions of the Act and rules made thereunder and Listing Regulations, an Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves, is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company

- **KMP (other than MD/WTD) and Senior Management:**

The term of KMP (other than MD/WTD) and Senior Management shall be as per the prevailing policies of the Company.

7. **Removal of Director, KMP or Senior Management Personnel**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Managerial Person, Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.

8. **Retirement:**

The Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Directors, KMP and Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

9. **Succession Plan for Directors, KMP and Senior Management Personnel**

The Committee shall develop and recommend to the Board a succession plan for the appointments made to the Board and to KMP & Senior Management.

The Committee shall review such plan on an annual basis and recommend revisions, if any, to the Board.

10. **Evaluation**

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management yearly or at such intervals as may be considered necessary.

11. **Remuneration**

- **Remuneration to MD/WTD**

The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

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

**Remuneration / Commission**

The remuneration / commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

**Sitting Fees**

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.

Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as maybe prescribed by the Central Government from time to time.

**Limit of Remuneration / Commission**

Remuneration / Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

- **Remuneration to Key Managerial Personnel (other than MD/WTD) and Senior Management:**

The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.

The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time.

The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

12. **General**

The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.

The Board of Directors may in their discretion and on recommendation of the committee, make any changes/ modifications and/or amendments to this Policy from time to time.

The Committee may Delegate any of its powers to one or more of its members.

## CORPORATE GOVERNANCE REPORT

In India, Corporate Governance standards for listed companies are regulated by Regulation 17 to Regulation 27 read with Schedule V and clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”). The Company has listed its equity shares on April 1, 2016 and executed fresh Listing Agreements with the Stock Exchanges and adopted best practices mandated under Listing Regulations.

### 1. COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE

*To be able to do the right thing in the right way, in each case and at every moment, one must be in the right consciousness.*

*- Sri Aurobindo*

Corporate Governance is the application of best management practices, compliance of law in true letter and spirit and adherence to ethical standards for effective management, distribution of wealth and discharge of social responsibility for sustainable development of all the stakeholders. Corporate governance is of paramount importance to the company. The Company believes to achieve and maintain highest standards of corporate governance. The core values of the Company’s Governance process includes Independence, Integrity, accountability, transparency, responsibility and fairness in dealing with customers, dealers, employees, lenders, government and other stakeholders including shareholders. The Company endeavors to learn and adopt the best practices of corporate governance to enhance the stakeholders’ value. Our governance practices goes beyond the mere letter of statutory and regulatory requirements. With an intention of applying good governance practices in the affairs of the Company, we have adopted various, codes, policies and programs.

The Company’s governance framework is based on the following principles:

- Appropriate composition and size of the Board, with all the Members bringing in expertise in their respective domains.
- Availability of information to the Members of the Board and Board Committees to enable them to discharge their fiduciary duties.
- Timely disclosure of material, operational and financial information to the stakeholders.
- Proper business conduct by the Board, Senior Management and Employees.

### 2. THE BOARD OF DIRECTORS:

The Board is entrusted with an ultimate responsibility of the management, directions and performance of the Company. The Board consists of eminent professionals with considerable expertise and experience in finance, commercial, business Management and other related fields who not only bring a wide range of experience and expertise but also impart the desired level of independence to the Board. The Board’s role, functions, responsibilities and accountabilities are well defined. It provides leadership, strategic guidance, objective and independent view to the Company’s management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.

#### i. Composition of the Board:

The Board is broad-based and consists of eminent individuals from Management, technical, financial and marketing background. The Company is managed by the Board of Directors in synchronization with the Senior Management Team. The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with statutory as well as business requirements.

The Company has a judicious mix of Executive and Non- Executive Directors as governed by the Companies Act, 2013 (“**the Act**”), and the stipulations laid down in the Listing Regulations. As on March 31, 2017, the Board comprised of Ten Directors out of which five are Executive Directors, Four are Non-Executive Independent Directors and one is Non-Executive Non-Independent Woman Director. The Chairman of the Board is a Non-Executive Independent Director.

#### ii. Meetings of the Board

During Financial Year (“**F.Y.**”) 2016-17, the Board met 5 times, on May 29, 2016, August 10, 2016, November 12, 2016, January 6, 2017 and February 11, 2017. The gap between two meetings did not exceed 120 days. The necessary quorum was present for all the Meetings. The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board.

#### iii. Attendance and Directorships held

Information on the Directors of the Company, their attendance at the Board Meetings and Annual General Meeting of the Company held during the year and the Number of Directorships in other Companies and Committee position in other Public Limited / Private Limited Companies as on March 31, 2017, are detailed below:

Sr. No	Name of the Director	Date of Appointment	Category	Attendance		Directorship in other Indian Public / Private Limited Companies		No. of other Board Committees in which Chairman / Member		Relationship with directors
				Board	AGM held on August 10, 2016	Chairman	Member	Chairman	Member	
1	Mr. Supratik Chatterjee DIN: 06934992	14/08/2014	Chairman & Non - Executive Independent Director	4 of 5	Yes	-	NIL	-	-	None
2	Mr. Murarilal Mittal DIN: 00010689	03/11/2010	Managing Director	5 of 5	Yes	-	3	-	-	Father of Mr. Mayank Mittal
3	Mr. Mayank Mittal* DIN: 00127248	12/11/2016	Joint Managing Director	1 of 2	-	-	1	-	-	Son of Mr. Murarilal Mittal
4	Mr. Sushil R. Sharda DIN: 03117481	02/05/2011	Whole-time Director	4 of 5	Yes	-	NIL	-	-	None
5	Mr. Sumit K. Modak DIN: 00983527	04/01/2013	Whole-time Director	2 of 5	No	-	NIL	-	-	None
6	Mr. Venkateswararao L. Kandikuppa DIN: 06456698	04/01/2013	Whole-time Director	2 of 5	No	-	NIL	-	-	None
7	Mr. Anthony D'Souza DIN: 06707269	14/08/2014	Non-Executive Independent Director	4 of 5	Yes	-	1	-	-	None
8	Mr. Asit Pal DIN: 00742391	14/02/2015	Non-Executive Independent Director	4 of 5	Yes	-	9	2	6	None
9	Ms. Ruhi Mittal DIN: 07159227	16/04/2015	Non-Executive Non-Independent Director	1 of 5	No	-	1	-	-	None
10	Mr. Shiv Kumar Malu** DIN: 05342172	15/02/2017	Additional Director Non-Executive Independent	-	-	-	NIL	-	-	None

**Notes:**

\*Mr. Mayank Mittal was appointed as an Additional Director in the Board Meeting held of November 12, 2016, and further as a Joint Managing Director vide Ordinary Resolution passed through Postal Ballot dated March 24, 2017.

\*\*Mr. Shiv Kumar Malu has been appointed as an Additional Director (Non- Executive Independent) vide Board Circular Resolution dated February 15, 2017 and shall hold office until the ensuing Annual General Meeting to be held on September 09, 2017.

1. Chairmanship/Membership of Committee includes Audit Committee and Stakeholders' Relationships Committee of Indian Public Limited companies excluding Bharat Wire Ropes Limited.
2. Members of the Board of the Company do not have membership in more than ten Board-level Committees or Chairperson of more than five such Committees as per regulation 26(1) of Securities And Exchange Board of India (Listing Obligation Disclosure Requirement) Regulation, 2015.

3. Brief profile of each of the above Directors is available on the Company’s website: <http://www.bharatwireropes.com>.

**iv. Number of Shares and other Convertible Instruments held by Non- Executive Directors:**

During FY 2016-17, none of the Non-Executive Directors, except Mr. Shiv Kumar Malu (3500 shares) hold any shares of the Company. The Company has not issued any convertible instruments during the financial year ended March 31, 2017.

**v. Familiarization Programme for Independent Directors:**

At the time of appointing a Director, a formal letter of appointment is given to them, which, *inter alia*, explains the role, function, duties and responsibilities expected from them as a Director of the Company. The Director is also explained in detail the Compliance required from him under Companies Act, 2013, and other various statutes and an affirmation is obtained. Further, on an ongoing basis as a part of Agenda of Board / Committee Meetings, presentations are regularly made to the Independent Directors on various matters, *inter alia*, covering the Company’s businesses and operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters. The details of familiarization programme imparted to the Independent Directors of the Company are available on the Company’s website <http://www.bharatwireropes.com>.

**3. COMMITTEES OF BOARD:**

The Company has 5 board level committees to focus on critical functions of the Company and also for smooth and efficient business operations. viz., Audit Committee, Nomination & Remuneration Committee, Stakeholders’ Relationship Committee, Finance Committee and Risk Management Committees. The Committees meet at regular intervals for deciding various matters and providing directions and authorizations to the management for its implementation. Minutes of the proceedings of each committee meeting are circulated to the members of that Committee for their comments and thereafter, confirmed and signed by the Chairman of the respective Committee. The Board also takes note of minutes of the meetings of the Committees duly approved by their respective Chairman and the material recommendations / decisions of the Committees are placed before the Board for approval / information.

Details on role and composition of these Committees, including number of meeting held during FY 2016-17 and the related attendance are provided below:

**A. Audit Committee:**

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with section 177 of the Companies Act, 2013. The powers and terms of reference of the Committee are as specified under Regulation 18 and Part C of Schedule II of SEBI Listing Regulations and Section 177 of the Companies Act, 2013.

The Audit Committee invites such of the Executives, as it considers appropriate, representatives of the Statutory Auditors and representatives of the Internal Auditors to be present at its meeting. The Company Secretary acts as the Secretary to the Audit Committee.

During FY 2016-17, the Audit Committee met 4 times, on May 29, 2016, August 10, 2016, November 12, 2016 and February 11, 2017. The requisite quorum was present at the meeting. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on August 10, 2016.

Sr. No.	Name of Director	Position	Category	No. of Audit Committee Meetings attended
1	Mr. Asit Pal	Chairman	Non-Executive Independent Director	4 of 4
2.	Mr. Supratik Chatterjee	Member	Non-Executive Independent Director	4 of 4
3.	Mr. Anthony D’Souza*	Member	Non-Executive Independent Director	3 of 3
4.	Mr. Murarilal Mittal	Member	Managing Director	4 of 4

**Note:**

*\*Mr. Anthony D’Souza was appointed as a Member of the Audit Committee w.e.f. May 29, 2016.*

**B. The terms of reference of the Audit Committee are broadly as under:**

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

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

- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
- Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgment by management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with listing and other legal requirements relating to financial statements;
- Disclosure of any related party transactions;
- Modified opinion(s) in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the listed entity with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To review the functioning of the whistle blower mechanism;
- The Audit Committee may call for the comments of the Auditors about Internal Control Systems, scope of Audit, including the observations of the auditors and review of Financial Statement before their submission to the Board and may also discuss any related issues with the Internal & Statutory Auditors and the Management of the Company.
- The Audit Committee shall review the information required as per Securities and Exchange Board of India (Listing Obligation Disclosure Requirement) Regulation, 2015.
- The Audit Committee invites such of the Executives, as it considers appropriate, representatives of the Statutory Auditors and representatives of the Internal Auditors to be present at its meeting. The Company Secretary acts as the Secretary to the Audit Committee.

### **C. Nomination and Remuneration Committee ("NRC"):**

The NRC of the Company is constituted in line with the provisions of Regulation 19 of the SEBI Listing Regulations, read with section 178 of the Companies Act, 2013. The terms of reference of the NRC includes various matters in conformity with the statutory guidelines including the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director;
- To formulate criteria for evaluation of performance of Independent Directors and the Board of Directors;
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy;

- To recommend to the Board the appointment and removal of Directors and Senior Management;
- The remuneration / compensation / commission etc. to Directors will be determined by the Committee and shall be recommended to the Board for approval;
- To devise a policy on Board diversity, composition, size;
- Succession planning for replacing Key Executives and overseeing;
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable;
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

During Financial Year 2016-17, the NRC met 3 times, on August 10, 2016, November 12, 2016 and February 11, 2017. The requisite quorum was present at the meetings. The Company Secretary acts as the Secretary to the NRC. The Chairperson of the NRC was present at the last Annual General Meeting of the Company held on August 10, 2016.

Sr. No.	Name of Director	Position	Category	No. of NRC Meetings attended
1.	Mr. Anthony D'Souza	Chairman	Non-Executive Independent Director	3 of 3
2.	Mr. Supratik Chatterjee	Member	Non-Executive Independent Director	3 of 3
3.	Mr. Asit Pal	Member	Non-Executive Independent Director	3 of 3

**Note:**

\*Mr. Anthony D'Souza was appointed as the Chairman of the NRC w.e.f. November 12, 2016.

NRC's constitution and terms of reference are in compliance with the provisions of Section 178 of the Companies Act, 2013, Regulation 19 of SEBI Listing Regulations, SEBI (Share Based Employee Benefits) Regulations, 2014, as amended from time to time.

**Performance Evaluation of Independent Directors**

The Performance Evaluation criteria for Independent Directors are determined by the NRC. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgment.

**Remuneration Policy**

**Remuneration to Non- Executive Directors:**

- Non-Executive Directors ("NEDs") are paid remuneration by way of Sitting Fees.
- During the FY 2016-17, no Commission was paid to the Non-Executive Directors.
- There were no pecuniary relationship / transactions between non-executive directors and the Company.
- The sitting fee payable to the NEDs for attending the Board and Committee meetings is fixed subject to the statutory ceiling. The fee is reviewed periodically.

Sr. No.	Name	Category	Sitting Fees
1.	Mr. Supratik Chatterjee	Chairman & Non-Executive Independent Director	1,00,000
2.	Mr. Anthony D'Souza	Non-Executive Independent Director	92,500
3.	Mr. Asit Pal	Non-Executive Independent Director	1,00,000
4.	Ms. Ruhi Mittal	Non-Executive Non-Independent Director	10,000
5.	Mr. Shiv Kumar Malu*	Additional Director (Non-Executive Independent)	N.A.

\*Mr. Shiv Kumar Malu was appointed with effect from February 15, 2017.

**Remuneration to Executive Directors:**

The appointment and remuneration of Executive Directors including Managing Director and Whole-Time Director is governed by recommendation of the NRC, resolutions passed by the Board of Directors and Shareholders of the Company. Payment of remuneration to Executive Directors is governed by the respective agreements executed between them and the Company. Annual increments are linked to performance and decided by the NRC and recommended to the Board for approval thereof.

The remuneration policy is designed to create high performance culture. It enables the company to attract, retain and motivate employees to achieve results. The Company pays remuneration by way of salary, benefits, perquisites and allowances to its Managing Directors and the Executive Directors.

Services of Managing Director and other Executive Director may be terminated by either party, giving six months' written notice or by any shorter notice as may be mutually agreed between the Director and the Board of Directors. There is no separate provision for severance fees.

The Company has introduced the BWR ESOP 2017, however no Options were granted during the FY 2016-17. The Executive Directors, except a promotor Director is eligible for Stock options as per the Plan in force from time to time. Grants under the Plan shall be approved by the NRC.

Executive Directors will not be paid Sitting Fees for any Board/Committee Meetings attended by them.

Details of Remuneration Paid to Executive Directors for the year ended March 31, 2017:

Sr. No.	Name	Category	Salary (Rs.)
1.	Mr. Murarilal Mittal	Managing director	56,50,002
2.	Mr. Mayank Mittal*	Joint Managing Director	44,70,155
3.	Mr. Sushil Sharda	Whole-Time Director	29,80,800
4.	Mr. Sumit Kumar Modak	Whole-Time Director	32,99,697
5.	Mr. Venkateswararao L. Kandikuppa	Whole-Time Director	21,08,396

\*Mr. Mayank Mittal was appointed w.e.f November 12, 2016.

#### D. Stakeholders Relationship Committee (“SRC”)

The SRC of the Company is constituted in line with the provisions of Regulation 20 of the SEBI Listing Regulations, read with section 178(2) of the Companies Act, 2013.

The terms of reference of the SRC, *inter-alia*, includes the following:

- Dealing with the investors complaints like delay in transfer of shares, non- receipt of balance sheet, non-receipt of declared dividends / share certificates, dematerialization of shares, replacement of lost/stolen/mutilated share certificates, etc.
- Reviewing of investors complaints and take necessary steps for redressal thereof.
- To perform all functions relating to the interest of the stakeholders of the Company as may be required by the provisions of the Companies Act., 2013 and the rules made thereunder, Listing Agreements and the guidelines issued by SEBI or any other regulatory authority.

##### i. Composition:

Sr. No.	Name of Director	Position	Category
1.	Ms. Ruhi Mittal	Chairperson	Non-Executive Non - Independent Director
2.	Mr. Murarilal Mittal	Member	Managing Director
3.	Mr. Sushil Sharda	Member	Whole-Time director
4.	Mr. Venkateswararao L. Kandikuppa	Member	Whole-Time director

Mr. Shailesh Rakhasiya is the Company Secretary & Compliance Officer for the SRC.

During the F.Y. 2016-17 the SRC met once on August 10, 2016.

##### ii. Details of Shareholders' Complaints Received, Solved and Pending during FY 2016-17:

Number of complaints received so far	Nil
Number of complaints not solved to the satisfaction of Shareholders	Nil
Number of pending complaints	Nil

The above table includes complaints received from SEBI SCORES by the Company.

#### E. Finance Committee

The Board of Directors have constituted the Finance Committee in its Board Meeting held on May 29, 2016. The Finance Committee has the authority to exercise powers of the Board of Directors between the Board Meeting except the powers reserved for the Board or the Shareholders under the Companies Act, 2013.

During the FY 2016-17, the Finance Committee met 9 times, on June 18, 2016, August 4, 2016, August 25, 2016, October 1, 2016, November 4, 2016, November 16, 2016, February 8, 2017, March 10, 2017 and March 24, 2017. The requisite quorum was present at the meetings. Mr. Shailesh Rakhasiya, Company Secretary & Compliance Officer of the Company acts as the Secretary of the Finance Committee.

Sr. No.	Name of Director	Position	Category	No. of Finance Committee Meetings attended
1.	Mr. Murarilal Mittal	Member	Managing Director	9 of 9
2.	Mr. Sushil Sharda	Member	Whole-Time director	9 of 9
3.	Mr. Venkateswararao L. Kandikuppa	Member	Whole-Time director	9 of 9

#### F. Risk Management Committee

The Company has laid down procedures to inform Board members about the risk assessment and minimisation procedures. The role of the Committee includes review of the Risk Management strategy developed by the Management for approval by the Board, advise the Board on the prioritization of Risk Management issues, report the effectiveness of the Company's Risk Management Systems and carries out additional functions and adopt additional policies and procedures as may be appropriate in the light of changes in business conditions legislative, regulatory, legal and other conditions.

Sr. No.	Name of Director	Position	Category
1.	Mr. Sushil Sharda	Member	Whole-Time director
2.	Mr. Murarilal Mittal	Member	Managing Director
3.	Mr. Asit Pal	Member	Non-Executive Independent Director
4.	Mr. Venkateswararao Laxmanamurty Kandikuppa	Member	Whole-Time director

No meetings of the Risk Management Committee were held during FY 2016-17.

#### 4. General body Meeting:

Details of the last three Annual General Meeting ("AGM") are as under:

Sr. No.	Date & Time	Location	Details of Special Resolution passed
1.	Tuesday, September 30, 2014 At 11.00 A.M.	Corporate Office - 701, A Wing, Trade World, Kamla City, Senapati Bapat Marg, Lower Parel (W), Mumbai 400 013.	No Special Resolution were passed in the said AGM.
2.	Tuesday, September 29, 2015 At 11.00 A.M.	Registered Office - Plot No. 1 & 4 Atgaon Industrial Complex, Mumbai-Nasik Highway, Atgaon(East), Taluka-Shahpur, Dist. Thane – 421 601.	No Special Resolution were passed in the said AGM.
3.	Wednesday, August 10, 2016 At 12.00 noon	Registered Office - Plot No. 1 & 4 Atgaon Industrial Complex, Mumbai – Nasik Highway, Atgaon (East), Taluka-Shahpur, Dist. Thane – 421 601.	Revision in the Managerial Remuneration of Mr. Murarilal Mittal, Managing Director of the Company.

#### 5. POSTAL BALLOT

During the year under review, the Company has conducted Postal Ballot in accordance with the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules 2014.

The Company has provided its Members with an e-voting facility through Karvy Computershare Private Limited ("Karvy"), in accordance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI Listing Regulations, in order to enable them to exercise their voting rights by way of electronic means on the resolution(s) proposed through Postal Ballot.

Mr. Abhishek Lakhotia, Proprietor of M/s Abhishek Lakhotia & Co., Practicing Company Secretaries, Mumbai, was appointed as a scrutinizer for scrutinizing voting (both physical and e-voting) in a fair and transparent manner for the postal ballot conducted by the Company during the year.

The details of the resolution passed by way of postal ballot alongwith the voting pattern in respect of the Special Resolution passed is mentioned below:

- a) Approval of Bharat Wire Ropes Limited Employee Stock Option Plan, 2017 (“BWR ESOP 2017”) and grant of Stock Options to eligible Employees of the Company under the BWR ESOP 2017 as a Special Resolution.

The details of the voting pattern are as under:

Resolution Required: ( <del>Ordinary</del> / Special)			Approval of Bharat Wire Ropes Limited Employee Stock Option Plan,2017 (“BWR ESOP 2017”) and grant of Stock Options to Eligible Employees of the Company under the BWR ESOP 2017					
Whether promoter/ promoter group are interested in the agenda /resolution?			No					
Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – Against	% of Votes in favour on votes polled	% of Votes against on votes polled
		[1]	[2]	$[3]=\frac{[2]}{[1]}*100$	[4]	[5]	$[6]=\frac{[4]}{[2]}*100$	$[7]=\frac{[5]}{[2]}*100$
Promoter and Promoter Group	E-Voting	27489858	27459855	99.890	27459855	0	100	0
	Postal Ballot		3	0.00	3	0	0.00	0
	Total		27459858	0	27459858	0	0	0
Public Institutions	E-Voting	2229335	0	0	0	0	0	0
	Postal Ballot		0	0	0	0	0	0
	Total		0	0	0	0	0	0
Public Non-Institutions	E-Voting	15233055	84091	0.552	83741	350	99.583	0.416
	Postal Ballot		58360	0.383	58360	0	100	0
	Total		142451	0.935	142101	350	99.754	0.245
<b>Total</b>		<b>44952248</b>	<b>27602309</b>	<b>61.403</b>	<b>27601959</b>	<b>350</b>	<b>99.998</b>	<b>0.001</b>

## 6. MEANS OF COMMUNICATION

- The quarterly / half yearly and annual results of the Company are published in national English newspaper as well as newspaper published in vernacular language of the region where the Registered Office of the Company is situated, namely the Free Press Journal and Navshakti.
- The Company’s website [www.bharatwireropes.com](http://www.bharatwireropes.com) contains a separate dedicated section ‘Investor Relations’ where all the shareholders’ information is available.
- The Company has promptly reported all material information including declaration of financial results; press releases, presentations made to institutional analyst or investors etc. to the Stock Exchanges where shares of the Company are listed, viz. National Stock Exchange of India Limited (“NSE”) and BSE Limited (“BSE”). Such information is also simultaneously displayed on the Company’s website [www.bharatwireropes.com](http://www.bharatwireropes.com)
- The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication during the year ended March 31, 2017, are filed electronically through NSE’s NEAPS portal and BSE’s BSE Listing Center.

**7. GENERAL SHAREHOLDER INFORMATION**

**a) Annual General Meeting (“AGM”) for the Financial Year 2016-17:**

**Day and Date:** Saturday, September 09, 2017  
**Time:** 12.00 Noon  
**Venue:** Plot No. 1 & 4 Atgaon Industrial Complex, Mumbai-Nasik Highway, Atgaon (East), Taluka - Shahpur, Dist. Thane – 421601  
**Financial Year:** The financial year of the Company is April to March.  
**Book Closure Dates:** September 4, 2017 to September 9, 2017

**b) Stock Exchanges where the securities of the Company are listed:**

**National Stock Exchange of India Limited**  
**Address:** Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) - 400 051.  
 (Symbol: BHARATWIRE)  
 ISIN No. - INE316L01019

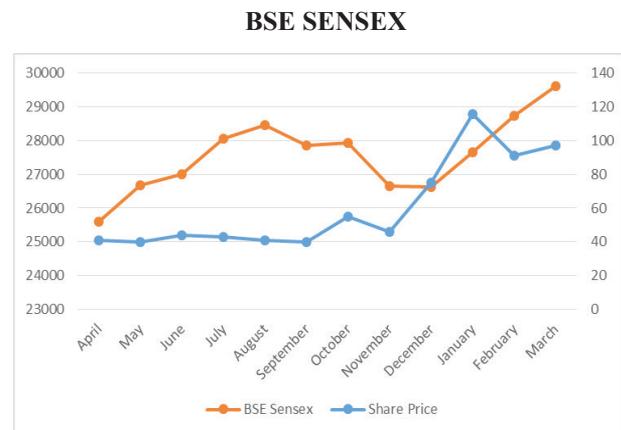
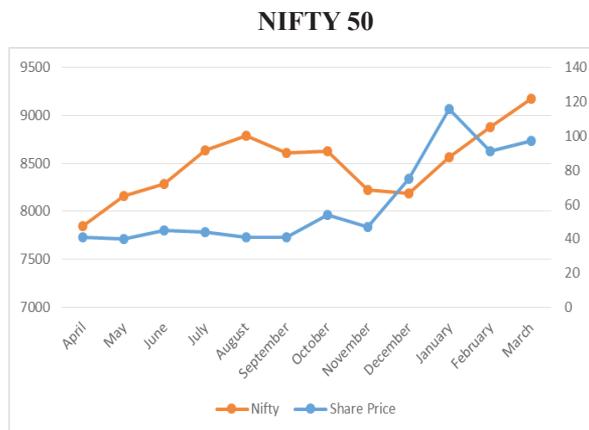
**BSE Limited**  
**Address:** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001.  
 (Scrip Code: 539799)

Annual Listing Fees for the FY 2016-17, has been paid to each of the above Stock Exchanges on April 10, 2017 and April 7, 2017.

**c) Market price data- high, low during each month in last financial year:**

Month	NSE		BSE	
	High	Low	High	Low
April 2016	47.25	38.50	47.5	39.50
May 2016	47	38.25	47	38
June 2016	45.95	40	46.45	40
July 2016	46	42	46	42.50
August 2016	45.35	40.50	45.5	41.15
September 2016	43.80	38.15	43.45	38.20
October 2016	55.15	38.50	55.6	39
November 2016	56.45	42	56.5	44.05
December 2016	77.50	46.15	77.45	46
January 2017	120.40	71	120.5	70.50
February 2017	117.95	85	119	85
March 2017	101	81	101.75	81.10

**d) Performance in comparison of Share price of the Company with NIFTY 50 and BSE Sensex is as follows:**





**e) Registrar to an Issue and Share Transfer Agents:**

Karvy Computershare Private Limited  
 Karvy Selenium, Tower B, Plot No. 31&32, Gachibowli,  
 Financial District, Nanakramguda, Hyderabad - 500 032,  
 Andhra Pradesh, India.  
 Toll Free No.:1800 3454 001.  
 Tel No.: +91-4067162222  
 Fax No.: +91-40-23431551  
 Email id: suresh.d@karvy.com  
 Website: www.karisma.karvy.com

**f) Share Transfer System:**

The Company's equity shares which are in compulsory dematerialized (demat) form are transferable through the depository system. Share Transfer in Physical form are registered and returned within a period of 15 days from the date of lodgement if the documents are complete in all respect.

**g) Distribution of Shareholding and Shareholding Pattern as on March 31, 2017:**

**Distribution of Shareholding**

Shareholding Value	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1-5000	2666	74.30	4582570	1.02
5001- 10000	337	9.39	2831090	0.63
10001- 20000	189	5.27	3069910	0.68
20001- 30000	84	2.34	2204140	0.49
30001- 40000	42	1.17	1539020	0.34
40001- 50000	56	1.56	2667500	0.59
50001- 100000	81	2.26	6153090	1.37
100001 & Above	133	3.71	426475160	94.87
<b>Total</b>	<b>3588</b>	<b>100</b>	<b>449522480</b>	<b>100.00</b>

**Shareholding Pattern as on March 31, 2017**

Category of Shareholders	Number of Shares	Percentage Holding
<b>Promoters</b>		
i. Promoter Individuals	100,004	0.22
ii. Promoters Bodies Corporate	27,389,854	60.93
<b>Sub Total</b>	<b>27,489,858</b>	<b>61.15</b>
<b>Non – Promoter Holding</b>		
<b>i. Institutional Investor</b>		
Mutual Funds and Trusts	746,502	1.66
Banks	1,056,196	2.35
Foreign Portfolio Investors	107,847	0.24
Foreign Institutional Investors	225,000	0.50
<b>Sub Total</b>	<b>2,135,545</b>	<b>4.75</b>
<b>ii. Others</b>		
Bodies Corporates	6,790,146	15.11
Resident Individuals	4,519,290	10.05
Clearing Members	2,041,768	4.54
HUF	1,772,896	3.94
Employees	133,467	0.30
Non-Resident Indian Non Repatriable	38,186	0.08
Non-Resident Indians	30,892	0.07
NBFC's	200	0.00
<b>Sub Total</b>	<b>15,326,845</b>	<b>34.10</b>
<b>Grand Total</b>	<b>44,952,248</b>	<b>100</b>

**h) Dematerialization of Shares:**

As on March 31, 2017, 44952241 shares (approx. 100%) of the total equity share capital of the Company are held in dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited.

**i) Outstanding GDRS/ ADRS/ Warrants/ Convertible Instruments as on 31st March, 2017:**

The Company has not issued any GDRs / ADRs / warrants or any convertible instruments.

**j) Foreign Exchange Risk:**

In compliance with the Reserve Bank of India guidelines, the Company proactively manages foreign exchange risk to protect value of exposures, if any, with an objective to manage financial statement volatility. Currently, the Company has in place appropriate risk hedging strategy for its Imports and Exports. Foreign exchange exposures are periodically reviewed and if necessary, hedged while avoiding trading and speculative positions. The Board periodically review foreign exchange exposure, if any and hedges undertaken by the Company.

**k) Plant Locations:**

The Company has the following manufacturing and Operating Divisions:

**Atgaon**

Plot No. 1&4, Atgaon Industrial Complex, Mumbai-Nasik Highway, Atgaon (East), Taluka Shahpur, Thane – 421601, Maharashtra, India.

**Chalisgaon**

Plot No. 4, Chalisgaon Industrial Area, Village- Khadki, BK Chalisgaon, District, Jalgaon -424101, Maharashtra. (The project at Chalisgaon is under Execution)

**l) Address for Correspondence:****Bharat Wire Ropes Limited**

Mr. Shailesh Rakhasiya, Company Secretary & Compliance Officer

A - 701, Trade World Building, Kamala Mills, Senapati Bapat Marg, Lower Parel (W), Mumbai 400 013, Maharashtra, India Tel: +91 - 22 - 66824600; Fax: +91 - 22 – 24955477.

Email: [compliance@bharatwireropes.com](mailto:compliance@bharatwireropes.com) ; Website: [www.bharatwireropes.com](http://www.bharatwireropes.com)

**8. OTHER DISCLOSURE:****a) Materially Significant Related Party Transactions**

There are no transactions of material nature other than reported under “Related Party Disclosures” that have been entered into by the Company with the promoters, directors, their relatives and the management and in any Company in which they are interested and that may have potential conflict with the interest of the Company.

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

The Company has formulated a policy on dealing with Related Party Transactions. The policy is available on the website of the Company [www.bharatwireropes.com](http://www.bharatwireropes.com).

**b) Instances of Non-Compliance:**

There were no instances of non-compliances during the last three years by the Company on any matter related to capital market. Consequently, there were neither penalties imposed nor strictures passed on the Company by the Stock Exchanges, SEBI or any other statutory authorities.

**c) Whistle Blower Policy:**

The Company has a duly adopted Whistle Blower Policy and established a vigil mechanism in line with the provisions of SEBI Listing Regulations and Companies Act, 2013, which aims to provide a mechanism to the employees and directors of the Company to report instances of unethical behavior, actual or suspected fraud or violation of the Company’s code of conduct or ethics policy. It also provides for adequate safeguards against victimization of Directors and employees who avail the mechanism and provides for direct access to the Chairman of the Audit Committee, in exceptional cases.

It is affirmed that no personnel has been denied access to the Chairman of the Audit Committee during the financial year 2016- 17.

**d) All mandatory requirements as per the SEBI Listing Regulations have been complied with by the Company.**



e) Discretionary Requirements

- The position of the Chairman and Managing Director are separate.
- The Company does not maintain a separate office for the Non-Executive Chairman.
- The quarterly financial results are published in the newspapers of wide circulation and not sent to individual shareholders. Further the financial results are available on the website of the Company and of Stock Exchanges where the shares of the Company are listed i.e. BSE Limited and National Stock Exchange of India Limited.
- The Auditors' Opinion on the Financial Statements is unmodified.
- Internal Auditor reports directly to the Audit Committee.

f) Disclosure of Accounting Treatment:

In the preparation of financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the notes to the financial statements.

- g) The Company has complied with the requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) of Listing Regulations.
- h) Declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management forms part of this report.
- i) Certificate from the Chief Executive Officer, in terms of Regulation 17(8) of the SEBI Listing Regulations for financial year ended March 31, 2017, was placed before the Board of Directors of the Company and forms part of this report.
- j) The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulation and the same forms part of this report .

**DECLARATIONS – CODE OF CONDUCT**

As provided under Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Bharat Wire Ropes Limited Code of Business Conduct and Ethics for the year ended March 31, 2017.

On Behalf of Board of Directors  
For **Bharat Wire Ropes Limited**

**Murarilal Mittal**  
**Managing Director**  
**DIN: 00010689**

Date: May 27, 2017  
Place: Mumbai

### CEO / CFO CERTIFICATION

We, Murarilal Mittal, Managing Director and Rakesh Kumar Jain, Chief Financial Officer of Bharat Wire Ropes Limited (“Company”) to the best of our knowledge and belief certify that:

- A. We have reviewed Financial Statements for the year ended **March 31, 2017**, and that to the best of our knowledge and belief:
- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) These statements together present a true and fair view of the Company’s affairs and are in accordance with existing Accounting Standards, applicable laws and regulations.
- B. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended **March 31, 2017**, are fraudulent, illegal or violative of the Company’s Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
- (1) Significant changes, if any, in internal control over financial reporting during the quarter;
  - (2) Significant changes, if any, in accounting policies during the quarter and that the same have been disclosed in the notes to the financial statements; and
  - (3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company’s internal control systems over financial reporting.

On Behalf of Board of Directors  
For **Bharat Wire Ropes Limited**

**Murarilal Mittal**  
**Managing Director**  
**DIN: 00010689**

**Rakesh Kumar Jain**  
**Chief Financial Officer**

Date: May 27, 2017  
Place: Mumbai

### **CERTIFICATE OF COMPLIANCE FROM AUDITORS**

To the Members of Bharat Wire Ropes Limited,

We have examined the compliance of conditions of Corporate Governance by Bharat Wire Ropes Limited, for the year ended March 31, 2017 as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”).

The compliance of conditions of Corporate Governance is the responsibility of the Company’s management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Management, we certify that the Company has complied with the all the applicable conditions of Corporate Governance as stipulated in the abovementioned SEBI Listing Regulations.

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations.

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.

For **Sureka Associates**

**Chartered Accountants**  
**Suresh Sureka**  
**FRN NO.: 110640W**

Date: May 27, 2017

Place: Mumbai

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF BHARAT WIRE ROPES LIMITED

#### Report on the Financial Statements

1. We have audited the accompanying financial statements of **BHARAT WIRE ROPES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### 2. Management's Responsibility for the 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 financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### 3. Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

#### 8. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit and its cash flows for the year ended on that date

#### 9. Report on Other Legal and Regulatory Requirements

As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B, a statement on the matters specified in paragraphs 3 and 4 of the Order.

10. As required by Section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements



comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- (e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
  - i) The Company does not have any pending litigations as at March 31, 2017 which would impact its financial position.
  - ii) The Company does not have any long-term contracts as at March 31, 2017 for which there could be any material foreseeable losses. The Company does not have derivative contracts as at March 31, 2017.

- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.
- iv) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management. Refer note 2.15.

**For and on behalf of  
SUREKA ASSOCIATES  
Chartered Accountants  
Firm's Registration No. 110640W**

**Suresh Sureka  
Partner  
Membership No. 34132**

Place : Mumbai  
Date : 27<sup>th</sup> May, 2017

## ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of BHARAT WIRE ROPES LIMITED on the financial statements as of and for the year ended March 31, 2017

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of **BHARAT WIRE ROPES LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### 2. 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 Act.

#### 3. 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 deemed to be prescribed under section 143(10) of the Act 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 ICAI. 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.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial

controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. 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.

#### 6. 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.

#### 7. Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation

of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## 8. Opinion

In our opinion, 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, 2017, 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 and on behalf of**  
**SUREKA ASSOCIATES**  
**Chartered Accountants**  
**Firm's Registration No. 110640W**

**Suresh Sureka**  
**Partner**  
**Membership No. 34132**

Place : Mumbai  
Date : 27<sup>th</sup> May, 2017

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## ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of **BHARAT WIRE ROPES LIMITED** on the financial statements as of and for the year ended March 31, 2017

- i. The Company is maintaining proper records showing full particulars, including quantitative detail and situation of fixed assets.
- ii. These fixed assets have been physically verified by the management at reasonable intervals. According to information and explanations given to us, there were no material discrepancies noticed on such verification. In our opinion, the frequency of verification is reasonable.
- iii. The title deeds of immovable properties are held in the name of the Company.
- ii. The physical verification of Inventory excluding stocks with third parties and stocks in transit have been conducted at reasonable intervals by the management during the year. The discrepancies noticed on physical verification of Inventory as compared to book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues in respect of Provident fund, employee's state insurance, income tax, sales tax, duty of excise and service tax, and other material statutory dues, as applicable, with the appropriate authorities.  
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of service tax, duty of custom and cess which have not been deposited on account of any dispute. The particulars of dues of income tax, duty of excise and Central Sale Tax as at March 31, 2017 which have not been deposited on account of a dispute are as follows:

Name of the Statute (Nature of Dues)	Amount (Rs. in Lacs)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	27.57	AY 2010-11	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	51.61	AY 2011-12	Income Tax Appellate Tribunal
Income Tax Act, 1961	1.41	AY 2012-13	Commissioner of Income Tax (Appeals)
Central Sales Tax Act, 1956	38.45	April 11 to March 12	JC Sales Tax (Appeals VIII)

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowing to any financial institutions, bank, and government. Further, the Company has not issued any debentures.
- ix. In our opinion, and according to the information and explanations given to us, the moneys raised by initial public offer and term loan were applied for the purposes for which those are raised.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- xi. The Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

**For and on behalf of**  
**SUREKA ASSOCIATES**  
**Chartered Accountants**  
**Firm's Registration No. 110640W**

**Suresh Sureka**  
**Partner**  
**Membership No. 34132**

Place : Mumbai  
 Date : 27<sup>th</sup> May, 2017



## BALANCE SHEET AS AT 31 MARCH, 2017

Particulars	Note No.	As at 31st March, 2017	As at 31st March, 2016
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2.1.1	44,95,22,480	44,95,22,480
(b) Reserves and surplus	2.2	94,87,29,232	93,34,34,265
		<b>1,39,82,51,712</b>	<b>1,38,29,56,745</b>
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings	2.3.1	3,48,95,45,004	1,73,41,50,110
(b) Deferred tax liabilities (net)	2.4	6,24,85,609	4,86,85,739
(c) Other Long term liabilities	2.5	25,25,00,113	25,63,16,883
(d) Long-term provisions	2.6	1,10,17,355	84,27,372
		<b>3,81,55,48,082</b>	<b>2,04,75,80,104</b>
<b>3 Current liabilities</b>			
(a) Short-term borrowings	2.7	21,15,51,207	21,82,11,719
(b) Trade payables	2.8	18,26,41,917	9,11,14,223
(c) Other current liabilities	2.9	39,42,67,579	42,86,71,279
(d) Short-term provisions	2.10	23,98,572	14,08,736
		<b>79,08,59,275</b>	<b>73,94,05,956</b>
	<b>TOTAL</b>	<b>6,00,46,59,069</b>	<b>4,16,99,42,805</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	2.11	3,39,88,46,983	64,83,59,516
(ii) Intangible assets	2.11	20,20,153	21,52,377
(iii) Capital work-in-progress		1,42,08,32,746	1,59,39,25,046
(b) Long-term loans and advances	2.12	21,00,24,109	61,01,29,723
<b>2 Current assets</b>			
(a) Inventories	2.13	43,71,13,298	34,42,20,103
(b) Trade receivables	2.14	16,93,05,722	16,88,30,660
(c) Cash and Bank Balances	2.15	2,55,14,311	71,99,76,845
(d) Short-term loans and advances	2.16	84,10,245	25,07,603
(e) Other current assets	2.17	33,25,91,502	7,98,40,932
		<b>97,29,35,078</b>	<b>1,31,53,76,143</b>
	<b>TOTAL</b>	<b>6,00,46,59,069</b>	<b>4,16,99,42,805</b>
Notes forming part of financial statements	1-2		

As per our report of even date attached

For Sureka Associates  
Chartered Accountants  
Firm Registration No: 110640W

Suresh Sureka  
Partner  
Membership No:34132  
Date : 27th May, 2017  
Place : Mumbai

For and on behalf of the Board of Directors

Murarilal Mittal  
Manging Director  
DIN: 00010689

Rakesh Kumar Jain  
Chief Financial Officer  
PAN: ABBPJ5834H

Sushil Sharda  
Whole Time Director  
DIN: 03117481

Shailesh Rakhasiya  
Company Secretary  
PAN: ALUPR5390R

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31 MARCH, 2017**

Particulars	Note No.	Year Ended 31st March, 2017	Year Ended 31st March, 2016
<b>Revenue</b>			
1 Revenue from operations (gross)	2.18	71,07,39,370	66,19,80,508
Less: Excise duty		6,24,52,820	5,49,52,036
Revenue from operations (net)		64,82,86,550	60,70,28,472
2 Other income	2.19	3,24,94,335	-
3 <b>Total revenue ( 1+2)</b>		<b>68,07,80,885</b>	<b>60,70,28,472</b>
<b>4 Expenses</b>			
(a) Cost of materials consumed	2.20	24,59,33,800	25,62,00,064
(b) Purchases of traded goods	2.21	22,21,79,800	10,49,23,995
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	2.22	98,10,508	2,54,09,525
(d) Employee benefits expense	2.23	6,98,64,619	8,32,71,557
(e) Finance costs (net)	2.24	2,54,19,823	3,72,14,014
(f) Depreciation and amortisation expense	2.11	3,88,52,021	2,29,17,158
(g) Other expenses	2.25	3,85,24,918	5,49,17,216
<b>Total expenses</b>		<b>65,05,85,490</b>	<b>58,48,53,530</b>
5 <b>Profit/Loss before Extraordinary Items &amp; Tax (3 - 4)</b>		<b>3,01,95,395</b>	<b>2,21,74,943</b>
6 <b>Extraordinary Items</b>		-	-
7 <b>Profit/Loss before Tax (5 - 6)</b>		<b>3,01,95,395</b>	<b>2,21,74,943</b>
<b>8 Tax expense:</b>			
(a) Current tax		89,94,874	74,63,897
(b) (Less): MAT credit entitlement		-89,94,874	-
(c) Deferred tax		1,37,99,870	12,83,324
		<b>1,37,99,870</b>	<b>87,47,221</b>
9 <b>Profit for the year (7 - 8)</b>		<b>1,63,95,525</b>	<b>1,34,27,721</b>
<b>10 Earnings per Equity Share</b>			
<b>Face Value per Equity Share Rs 10</b>			
Basic & Diluted	2.26	<b>0.36</b>	<b>0.46</b>
Notes forming part of financial statements	1-2		

As per our report of even date attached

For Sureka Associates  
Chartered Accountants  
Firm Registration No: 110640W

Suresh Sureka  
Partner  
Membership No:34132  
Date : 27th May, 2017  
Place : Mumbai

For and on behalf of the Board of Directors

Murarilal Mittal  
Managing Director  
DIN: 00010689

Rakesh Kumar Jain  
Chief Financial Officer  
PAN: ABBPJ5834H

Sushil Sharda  
Whole Time Director  
DIN: 03117481

Shailesh Rakhasiya  
Company Secretary  
PAN: ALUPR5390R

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2017**

Particular	( Amt. in Rs.)	
	Year ended 31 March, 2017	Year ended 31 March, 2016
<b>A. Cash flow from/(used in) operating activities:</b>		
Profit before tax and extraordinary items	3,01,95,395	2,21,74,943
a) Adjustment for:		
Depreciation	3,88,52,021	2,29,17,158
Interest and Finance charges	2,54,19,823	3,72,14,014
Profit on sale of Asset	(2,82,27,786)	-
b) Changes in current assets and liabilities:		
Inventories	(9,28,93,195)	4,11,51,117
Trade and other receivables	(4,75,062)	(2,70,74,979)
Loans & advances	(2,26,82,470)	(38,73,655)
Other Current Assets	(25,27,50,570)	(5,01,08,490)
Provisions	35,79,819	19,82,751
Other Current Liabilities	(3,44,03,699)	36,95,54,609
Trade payable and others	9,15,27,694	(4,52,01,801)
c) Income tax paid	-	(74,63,897)
<b>Net cash generated from/(used in) operations</b>	<b>(A)</b> (24,18,58,030)	36,12,71,769
<b>B. Cash flow from/(used in) investing activities:</b>		
Purchase of Fixed Assets	(2,80,26,91,720)	(2,16,04,635)
Sale of Fixed Asset	3,78,75,979	-
Deduction in Fixed Assets	-	54,07,500
CWIP	17,69,28,562	(1,47,94,63,187)
Capital Advances	41,68,85,443	(43,51,51,735)
<b>Net Cash generated from/(used in) investing activities</b>	<b>(B)</b> (2,17,10,01,736)	(1,93,08,12,057)
<b>C. Cash flow from/(used in) financing activities:</b>		
Proceeds from issue of equity shares	-	15,55,55,550
Security Premium on issue of equity shares	-	54,44,44,425
Security Premium utilised against IPO Expenses	(11,00,558)	(3,75,74,781)
Proceeds/(Repayment) of long term & other borrowings	1,74,49,17,613	1,64,61,94,137
Interest and finance charges paid	(2,54,19,823)	(3,72,14,014)
<b>Net Cash generated from/(used in) financing activities</b>	<b>(C)</b> 1,71,83,97,232	2,27,14,05,316
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	<b>(A+B+C)</b> (69,44,62,534)	70,18,65,029
Add: Opening balance of cash & cash equivalents	71,99,76,845	1,81,11,818
Closing balance of cash & cash equivalents	<u>2,55,14,311</u>	<u>71,99,76,845</u>
Notes forming part of financial statements	1-2	

As per our report of even date attached

For Sureka Associates  
Chartered Accountants  
Firm Registration No: 110640W

Suresh Sureka  
Partner  
Membership No:34132  
Date : 27th May, 2017  
Place : Mumbai

For and on behalf of the Board of Directors

Murarilal Mittal  
Managing Director  
DIN: 00010689

Rakesh Kumar Jain  
Chief Financial Officer  
PAN: ABBPJ5834H

Sushil Sharda  
Whole Time Director  
DIN: 03117481

Shailesh Rakhasiya  
Company Secretary  
PAN: ALUPR5390R

## Significant Accounting Policies and Notes Forming Part of Accounts for The Year Ended 31st March, 2017

### 1 Significant Accounting Policies :

#### 1.1 Basis of Accounting

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of Companies Act 2013 read with rule 7 of Companies (Accounts) Rules 2014, till the Standard of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 2013. The Ministry of Corporate Affairs (MCA) has notified the Companies (Accounting Standards) Amendment Rules, 2016 vide its notification dated 30 March 2016. The said notification read with Rule 3(2) of the Companies (Accounting Standards) Rules, 2006 is applicable to accounting period commencing on or after the date of notification i.e. 1 April 2016.

#### 1.2 Use of Estimates

The preparation of financial statements requires the management of Company to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialized. Though the management believes that the estimates used are prudent and reasonable, actual results could differ from these estimates.

#### 1.3 Fixed Assets

- Fixed assets are stated at cost, unless stated otherwise. Cost comprises the purchase price and attributable expenses.
- Impairment of Assets: Impairment of an asset is reviewed and recognised if the event changes and circumstances indicate that the carrying amount of an asset is not recoverable. Difference between the carrying amount of an asset and the recoverable value is recognised as impairment loss in the statement of profit and loss in the year of impairment.
- Capital work in progress: Capital work in progress is stated at the amount expended up to the date of balance sheet, and expenditure incurred during construction period:

#### 1.4 Borrowing Costs

Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalized as part of cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to statement of profit and loss.

#### 1.5 Depreciation on Fixed Assets

- Pursuant to the enactment of the Companies Act, 2013 (“the Act”) and its applicability for accounting periods commencing from April 1, 2014 the company has, wherever required reassessed the useful life of its fixed assets and has computed depreciation with reference to the useful life of the assets as recommended in schedule II of the Act. However as per the valuation report dated 20th January 2015 in case of Atgaon Plant Assets & as per the valuation report dated 5th May 2017 in case of Chalisgaon Plant Assets, both certified by Mr. Vikas J. Bardapurkar, useful life of the some of the assets have been assessed as ranging between 25 and 60 years which is different than the life prescribed under schedule II of the Act and depreciation is computed accordingly.
- Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except for Tangible Assets for which certificate of useful life is taken from the competent person in that field.
- Leasehold improvements are depreciated over the unexpired period of respective leases or useful life whichever is shorter.

#### 1.6 Investments

Investments intended to be held for more than a year, from the date of acquisition, are classified as long-term and are stated at cost. Provision for diminution in value of investments is made to recognize a decline other than temporary. Current Investments are stated at cost or fair value whichever is lower.

#### 1.7 Revenue Recognition

- Sale of goods is recognized when the risks and rewards of ownership are passed on to the customers, which is generally on dispatch. Export Sales are accounted for on the basis of date of bill of lading. Gross Sales include excise duty, adjustments for price variation, quality claims, liquidated damages and exchange rate variations related to export realization.

## Significant Accounting Policies and Notes Forming Part of Accounts for The Year Ended 31st March, 2017

- b) **Export benefits:** Duty Drawback is accounted on accrual basis.
- c) Revenue from Services is recognized when the services are completed.
- d) Dividend income is recognized when the right to receive the dividend is unconditional.

### 1.8 Inventory

Inventories are valued at lower of cost or net realizable value.

### 1.9 Operating Lease

Lease of assets under which all the risks and rewards of ownership are retained by the lessor are classified as operating lease. Lease payments under operating lease are recognized as an expense on accrual basis in accordance with the respective lease agreements.

### 1.10 Foreign Currency Transactions

- a) Foreign exchange transactions are converted into Indian Rupees at the prevailing rate on the date of the transactions. Current monetary assets and liabilities are translated at the exchange rate prevailing on the last day of the year. Non monetary items are carried at cost.
- b) Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognized as income or expense in the Statement of Profit and Loss. The exchange differences arising on settlement / restatement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets.
- c) Premium / discount on forward exchange contracts not relating to firm commitments or highly probable forecasted transactions and not intended for Trading or Speculation purpose is amortized as income or expense over the life of the contract.

### 1.11 Accounting for Taxes on Income

- a) Current tax is determined as the amount of tax payable in respect of taxable income of the year computed as per the Income Tax Act, 1961.
- b) Deferred tax is recognized subject to consideration of prudence, on timing difference, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and measured using prevailing enacted or substantively enacted tax rates.

### 1.12 Employee Benefits

- a) Short term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.
- b) Post employment and other long-term benefits are recognized as an expense in the statement of Profit and Loss of the year in which the employees has rendered services. The Expense is recognized at the present value of the amount payable determined using actuarial valuation technique. Actual gain and losses in respect of post employment and other long term benefits are recognized in the statement of Profit and loss.
- c) Payments to defined contribution retirement benefits schemes are charged as expenses as and when they fall due.

### 1.13 Research & Development

Capital expenditure on research and development is treated in the same manner as fixed assets. Revenue expenditure on research and development is charged to Statement of Profit and Loss.

### 1.14 Provisions & Contingent Liabilities

A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation. Contingent liabilities, if material, are disclosed in the financial accounts. Contingent assets are not recognized or disclosed in the financial statements.

### 1.15 Earning Per Share

The Company reports basic and diluted earnings per equity share in accordance with AS 20, Earnings per Share. Basic earnings per equity share have been computed by dividing net profit after tax (after adjusting for dividend on cumulative preference shares) attributable to equity shareholders by the weighted average number of equity shares outstanding for the year. Diluted earnings per share is computed using the weighted average number of equity and equivalent dilutive equity shares outstanding during the year, except where results would be anti-dilutive.

## NOTES ON ACCOUNTS FOR THE YEAR ENDED 31 MARCH, 2017

### 2 Notes To Accounts

#### 2.1 Share capital

##### 2.1.1 Particulars

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	No. of shares	Amount (Rs)	No. of shares	Amount (Rs)
<b>(a) Authorised</b>				
Equity shares of Rs.10 each	5,00,00,000	50,00,00,000	5,00,00,000	50,00,00,000
	<u>5,00,00,000</u>	<u>50,00,00,000</u>	<u>5,00,00,000</u>	<u>50,00,00,000</u>
<b>(b) Issued, Subscribed and fully paid up</b>				
Equity shares of Rs.10 each	4,49,52,248	44,95,22,480	4,49,52,248	44,95,22,480
	<u>4,49,52,248</u>	<u>44,95,22,480</u>	<u>4,49,52,248</u>	<u>44,95,22,480</u>

##### 2.1.2 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	No of shares	Amount(Rs)	No of shares	Amount(Rs)
Number of equity shares at the beginning of the year	4,49,52,248	44,95,22,480	2,93,96,693	29,39,66,930
Add: Equity shares issued during the year	-	-	1,55,55,555	15,55,55,550
Number of equity shares at the end of the year	<u>4,49,52,248</u>	<u>44,95,22,480</u>	<u>4,49,52,248</u>	<u>44,95,22,480</u>

##### 2.1.3 Details of Shareholder holding more than 5% shares in the company

Name of Shareholders	As at 31st March, 2017		As at 31st March, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Gaji Mercantile Pvt. Ltd.	2,56,75,484	57.12%	2,56,75,484	57.12%
Next Orbit Ventures Fund	-	-	39,20,309	8.72%
<b>Total</b>	<u>2,56,75,484</u>	<u>57.12%</u>	<u>2,95,95,793</u>	<u>65.84%</u>

##### 2.1.4 Shares held by holding/ultimate holding company and /or their subsidiaries

Out of Equity Shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries / associates are as below:-

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	No. of shares held	% of holding	No. of shares held	% of holding
<b>Ultimate Holding Company</b>				
Gyanshankar Investment & Trading Co. Pvt. Ltd	17,14,370	3.81%	1	0.00%
<b>Holding company</b>				
Gaji Mercantile Pvt. Ltd.	2,56,75,484	57.12%	2,56,75,484	57.12%



## NOTES ON ACCOUNTS FOR THE YEAR ENDED 31 MARCH, 2017

## 2.2 Reserves and Surplus

Particulars	As at 31st March, 2017 Amount (Rs)	As at 31st March, 2016 Amount (Rs)
<b>Capital Reserve</b>		
As per Last Balance Sheet	47,99,688	47,99,688
Add : Current year transfer	-	-
<b>Closing Balance</b>	<u>47,99,688</u>	<u>47,99,688</u>
<b>Securities Premium Account</b>		
As per Last Balance Sheet	81,41,80,323	30,73,10,679
Add : Securities premium received on issue of equity shares during the year.	-	54,44,44,425
Less : Utilised against IPO expenses	11,00,558	3,75,74,781
<b>Closing balance</b>	<u>81,30,79,765</u>	<u>81,41,80,323</u>
<b>Surplus</b>		
<b>Balance in Statement of Profit &amp; Loss</b>		
As per Last Balance Sheet	11,44,54,254	10,10,26,532
Add: Net profit after tax for the current period	1,63,95,525	1,34,27,722
Less: Deferred Tax for earlier years	-	-
<b>Closing balance</b>	<u>13,08,49,779</u>	<u>11,44,54,254</u>
<b>Total Reserves and Surplus</b>	<u><u>94,87,29,232</u></u>	<u><u>93,34,34,265</u></u>

## 2.3 Long-term borrowings

2.3.1 Particulars	As at 31st March, 2017	As at 31st March, 2016
<b>Secured</b>		
(A) Term loans From Banks ( See Note 2.3.2 (a) & (b) )		
Indian rupee loan	1,96,31,63,711	92,76,46,436
Foreign currency loan - Buyer's credit (Refer Note 2.26.10)	1,05,35,18,758	29,27,73,784
	<u>3,01,66,82,469</u>	<u>1,22,04,20,220</u>
(B) Term loans From Others ( See Note 2.3.3 (a) & (b) )		
Other Loans	88,70,650	75,56,772
<b>Unsecured</b>		
(A) Deferred payment liabilities ( See Note 2.3.4)		
Sales Tax Loan	16,54,50,314	17,64,54,604
<b>Deposits</b>		
(A) Inter-corporate Deposits	29,85,41,571	32,97,18,514
<b>Total</b>	<u><u>3,48,95,45,004</u></u>	<u><u>1,73,41,50,110</u></u>

2.3.2 The Company has been sanctioned a Term Loan of Rs. 330 Crores pursuant to Facility Agreement (Consortium Term Loan) dated 17th April, 2015 entered into with Term Loan Consortium Banks as under:

(a)

## NOTES ON ACCOUNTS FOR THE YEAR ENDED 31 MARCH, 2017

Name of the Banks	Limit Sanctioned ( Rs in Crores)
Bank of Baroda ( Lead Bank)	100.00
Union Bank of India	60.00
Central Bank of India	50.00
Vijaya Bank	50.00
Corporation Bank	30.00
State Bank of Bikaner & Jaipur	25.00
Export-Import Bank of India	15.00

### Security:

- a. First charge, ranking pari passu between term loan consortium banks by way of mortgage/hypothecation of entire immovable and moveable fixed assets of the Company related to expansion project situated at MIDC - Chalisgaon or wherever else;
- b. Second charge ranking pari passu between term loan consortium banks by way of hypothecation of entire current assets of the Company situated at MIDC - Chalisgaon, Atgaon or wherever else;
- c. Personal Guarantee of Managing Director.
- d. Corporate Guarantee of Gaji Mercantile Private Limited.

### Repayment:

The term loan is repayable in 20 equal Quarterly Installments. The first installment is payable after a period of 18 months from the date of C.O.D. ( 31st Dec 2016) or as per sanction of the respective Lenders as may be modified from time to time.

**2.3.2(b)** The Security is created by way of hypothecation of Vehicle

### Repayment:

The loan is repayable in 84 equal monthly installments of Rs. 42,682/- commencing from 03.04.2016

**2.3.3(a)** The Security is created by way of hypothecation of Vehicle

### Repayment:

The loan is repayable in 84 equal monthly installments of Rs. 148,953/- which has commenced from 16.10.2015

**2.3.3(b)** The Security is created by way of hypothecation of Vehicle

### Repayment:

The loan is repayable in 35 equal monthly instalments of Rs. 54,035/- which has commenced from 02.08.2016 & last instalment of Rs 18,94,869/-.

**2.3.4** The Govt. of Maharashtra under Package Scheme of Incentive has extended to the Company, the incentive of sales tax deferral scheme pursuant to which the sales tax attributable to the sales effected out of production is deferred (interest free) for a period of 8 Years 9 Months from 01.05.2003 to 31.01.2012. The deferred sales tax in respect of above is based upon the sales tax returns. The amount for each year deferred is payable in 5 equal annual installments from Financial Year 2014-15 to 2027-28.

## 2.4 Deferred Tax:-

The major components of deferred tax assets and deferred tax liabilities are as under :

## NOTES ON ACCOUNTS FOR THE YEAR ENDED 31 MARCH, 2017

Particulars	April 2016 to As at 31st March 2017		April 2015 to As at 31st March 2016	
	Deferred Asset (Rs)	Deferred Liabilities (Rs)	Deferred Asset (Rs)	Deferred Liabilities (Rs)
Provision for Gratuity	34,44,333	-	7,70,094	1,57,877
Provision for Leave encashment	7,06,276	-	3,10,882	66,954
Provision for Bonus	18,77,066		15,64,123	10,85,170
Difference between book depreciation & Income Tax Depreciation (including earlier years)		19,67,20,106	-	5,00,20,837
Unabsorbed Depreciation	12,82,06,822			-
Total	<u>13,42,34,497</u>	<u>19,67,20,106</u>	<u>26,45,099</u>	<u>5,13,30,838</u>
<b>Net Deferred Tax (Liabilities)/ Asset</b>		<b>-6,24,85,609</b>		<b>-4,86,85,739</b>

### 2.5 Other Long term liabilities

Particulars	As at	As at
	31st March, 2017 Amount (Rs)	31st March, 2016 Amount (Rs)
Other	25,25,00,113	25,63,16,883
<b>Total</b>	<b><u>25,25,00,113</u></b>	<b><u>25,63,16,883</u></b>

### 2.6 Long term Provisions

Particulars	As at	As at
	31st March, 2017 Amount (Rs)	31st March, 2016 Amount (Rs)
<b>Provision for employee benefits</b>		
Gratuity	91,61,539	71,69,803
Leave Encashment.	18,55,816	12,57,569
<b>Total</b>	<b><u>1,10,17,355</u></b>	<b><u>84,27,372</u></b>

### 2.7 Short term borrowings

Particulars	As at	As at
	31st March, 2017 Amount (Rs)	31st March, 2016 Amount (Rs)
<b>Secured Loan from Banks(See Note 2.7.1 given below)</b>		
Cash Credit/ Working Capital Demand Loan from Banks	21,15,51,207	21,82,11,719
	<b><u>21,15,51,207</u></b>	<b><u>21,82,11,719</u></b>

**2.7.1** Cash Credit(Working Capital facilities) from Banks are secured by first charge of hypothecation of raw materials, goods in process, finished goods, stores and book debts of the Company and second charge on entire immovable and movable fixed assets of the Company both present and future of the Company. It is also secured by the personal guarantee of Managing Director and Corporate Guarantee of Gaji Mercantile Pvt. Limited.

### 2.8 Trade Payables

Particulars	As at	As at
	31st March, 2017 Amount (Rs)	31st March, 2016 Amount (Rs)
Trade Payables:	-	-
Dues to micro and small enterprises ( See Note no 2.26.9)	-	-
Dues to others	18,26,41,917	9,11,14,223
<b>Total</b>	<b><u>18,26,41,917</u></b>	<b><u>9,11,14,223</u></b>

## NOTES ON ACCOUNTS FOR THE YEAR ENDED 31 MARCH, 2017

### 2.9 Other current liabilities

Particulars	As at	As at
	31st March, 2017	31st March, 2016
	Amount (Rs)	Amount (Rs)
Current maturities of Long Term Debt.	1,21,98,639	72,72,107
Advances from customers.	1,27,35,127	2,48,65,518
Statutory Amount Payables.	1,19,65,564	1,14,16,526
Outstanding Expenses.	3,18,83,617	7,91,69,011
<b>Other current liabilities</b>		
Capital Creditors	31,23,38,876	28,24,06,870
Other Creditors	1,31,45,756	2,35,41,247
<b>Total</b>	<b>39,42,67,579</b>	<b>42,86,71,279</b>

### 2.10 Short Term Provisions

Particulars	As at	As at
	31st March, 2017	31st March, 2016
	Amount (Rs)	Amount (Rs)
<b>Provision for Employee Benefits</b>		
Gratuity	12,55,947	5,73,428
Leave Encashment.	2,80,335	1,91,092
Provision for Excise duty on closing stock.	8,62,290	6,44,216
<b>Total</b>	<b>23,98,572</b>	<b>14,08,736</b>

### 2.12 Long-term loans and advances

Particulars	As at	As at
	31st March, 2017	31st March, 2016
	Amount (Rs)	Amount (Rs)
<b>Unsecured, considered good</b>		
Capital Advances	18,65,51,066	60,34,36,508
Security deposits	2,34,73,043	66,93,215
<b>Total</b>	<b>21,00,24,109</b>	<b>61,01,29,723</b>

### 2.13 Inventories (valued at lower of cost and net realisable value)

Particulars	As at	As at
	31st March, 2017	31st March, 2016
	Amount (Rs)	Amount (Rs)
Raw Materials	24,46,53,066	13,46,09,211
Work in Progress	15,81,25,844	18,61,91,247
Finished Products	2,61,14,719	76,41,750
Stores & Spares	71,11,948	77,79,086
Packing Materials	11,07,721	17,06,707
Goods In Transit	-	62,92,102
	<b>43,71,13,298</b>	<b>34,42,20,103</b>

## NOTES ON ACCOUNTS FOR THE YEAR ENDED 31 MARCH, 2017

### 2.14 Trade receivables

Particulars	As at	As at
	31st March, 2017 Amount (Rs)	31st March, 2016 Amount (Rs)
Unsecured, considered good		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	4,15,00,340	4,69,01,575
Others (Within Six Months from the date they were due for payments)	12,78,05,382	12,19,29,085
	<u>16,93,05,722</u>	<u>16,88,30,660</u>

### 2.15 Cash and Bank Balances

Particulars	As at	As at
	31st March, 2017 Amount (Rs)	31st March, 2016 Amount (Rs)
<b>Cash and Cash equivalents</b>		
Balances with Bank		
(i) In current accounts	1,24,11,473	70,17,02,739
(ii) In other deposit accounts original maturity of 3 months or less	-	10,00,000
Cash on hand	5,92,436	12,30,287
<b>Other Bank Balances</b>		
Margin Money Deposit( Secured against Bank Guarantees/Letter of Credit)	1,25,10,403	1,60,43,820
<b>Total</b>	<u>2,55,14,311</u>	<u>71,99,76,845</u>

**The details of Specified Bank Notes (SBN) held and transacted during the period November 8, 2016 to December 30, 2016 as provided in the Table below:-**

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBN's* (Amount in Rs)	Other denomination notes (Amount in Rs)	Total (Amount in Rs)
<b>Closing cash in hand as on November 8, 2016</b>	30,34,500	3,59,158	33,93,658
Add: Permitted receipts	-	25,19,690	25,19,690
Less: Permitted payments	-	20,08,494	20,08,494
Less: Amount deposited in Banks	30,34,500	-	30,34,500
<b>Closing balance as at December 30, 2016</b>	-	<b>8,70,354</b>	<b>8,70,354</b>

## NOTES ON ACCOUNTS FOR THE YEAR ENDED 31 MARCH, 2017

\* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

### 2.16 Short-term loans and advances

Particulars	As at 31st March, 2017 Amount (Rs)	As at 31st March, 2016 Amount (Rs)
Unsecured, considered good	-	-
Advances to Suppliers	29,92,514	14,07,613
Other Advances	54,17,731	10,99,990
<b>Total</b>	<b>84,10,245</b>	<b>25,07,603</b>

### 2.17 Other Current Assets

Particulars	As at 31st March, 2017 Amount (Rs)	As at 31st March, 2016 Amount (Rs)
Prepaid Expenses	23,51,640	24,92,301
Balance with government authorities	28,76,78,338	7,01,89,060
Interest accrued	12,39,831	14,19,278
Deposit	92,39,480	28,36,088
Insurance Claim Receivable	-	3,11,662
Others	3,20,82,214	25,92,544
<b>Total</b>	<b>33,25,91,502</b>	<b>7,98,40,932</b>

### 2.18 Revenue from Operations

Particulars	Year ended 31st March, 2017 Amount (Rs)	Year ended 31st March, 2016 Amount (Rs)
<b>Revenue from operations</b>		
<b>Sale of products</b>		
Finished goods	48,11,19,358	54,87,96,592
Traded goods	22,25,69,060	10,58,30,027
<b>Other operating revenue</b>		
Scrap Sales	26,02,045	11,63,113
Export Benefits	14,07,907	16,23,777
Incentive From DIC	30,41,000	45,67,000
<b>Revenue from operations (gross)</b>	<b>71,07,39,370</b>	<b>66,19,80,508</b>
Less: Excise duty	6,24,52,820	5,49,52,036
<b>Revenue from operations (net)</b>	<b>64,82,86,550</b>	<b>60,70,28,472</b>

### Productwise summary of Sales

Product	Year ended 31st March, 2017 Amount (Rs)	Year ended 31st March, 2016 Amount (Rs)
Wire Ropes, Stranded Wire & Slings Items	41,89,36,925	49,42,14,038



**NOTES ON ACCOUNTS FOR THE YEAR ENDED 31 MARCH, 2017**

Traded Goods - Steel Related Products	22,25,69,060	10,58,30,027
Carbon Black Sales	-	87,400
Iron Scrap Sales	26,02,045	11,63,113
<b>Total</b>	<b>64,41,08,030</b>	<b>60,12,94,578</b>
<b>2.19 Other Income</b>		
<b>Particulars</b>	<b>Year ended</b>	<b>Year ended</b>
	<b>31st March, 2017</b>	<b>31st March, 2016</b>
	<b>Amount (Rs)</b>	<b>Amount (Rs)</b>
Profit on Sale of Fixed Assets	2,82,27,786	-
Sundry Balance Written off	42,66,549	-
<b>Total</b>	<b>3,24,94,335</b>	<b>-</b>
<b>2.20 Cost of material consumed</b>		
<b>Particulars</b>	<b>Year ended</b>	<b>Year ended</b>
	<b>31st March, 2017</b>	<b>31st March, 2016</b>
	<b>Amount (Rs)</b>	<b>Amount (Rs)</b>
Inventory at the beginning of the year	15,03,87,106	16,57,08,254
Add: Purchases	34,84,19,429	24,08,78,916
Less : Inventory at the end of the year	25,28,72,735	15,03,87,106
<b>Total</b>	<b>24,59,33,800</b>	<b>25,62,00,064</b>
Productwise summary of Purchases		
<b>Particulars</b>	<b>Year ended</b>	<b>Year ended</b>
	<b>31st March, 2017</b>	<b>31st March, 2016</b>
	<b>Amount (Rs)</b>	<b>Amount (Rs)</b>
Wire Rods, Wire & Wire related items	23,66,34,803	18,92,66,760
Consumables	6,48,46,835	88,74,628
Packing Material	1,66,12,282	1,27,44,606
Others	3,03,25,509	2,99,92,922
<b>Total</b>	<b>34,84,19,429</b>	<b>24,08,78,916</b>
<b>2.21 Purchases of Traded Goods</b>		
<b>Particulars</b>	<b>Year ended</b>	<b>Year ended</b>
	<b>31st March, 2017</b>	<b>31st March, 2016</b>
	<b>Amount (Rs)</b>	<b>Amount (Rs)</b>
Steel related products	22,21,79,800	10,49,23,995
<b>Total</b>	<b>22,21,79,800</b>	<b>10,49,23,995</b>
<b>2.22 Changes in inventory of finished goods, work-in-progress</b>		
<b>Particulars</b>	<b>Year ended</b>	<b>Year ended</b>
	<b>31st March, 2017</b>	<b>31st March, 2016</b>
	<b>Amount (Rs)</b>	<b>Amount (Rs)</b>
<b>Inventories at the beginning of the year</b>		
Finished goods	76,41,750	98,47,206
Work-in-progress	18,61,91,247	20,98,15,760
	<b>19,38,32,997</b>	<b>21,96,62,966</b>
<b>Inventories at the end of the year</b>		
Finished goods	2,61,14,719	76,41,750
Work-in-progress	15,81,25,844	18,61,91,247

## NOTES ON ACCOUNTS FOR THE YEAR ENDED 31 MARCH, 2017

	<u>18,42,40,563</u>	<u>19,38,32,997</u>
Less : Increase/(Decrease ) In Excise Duty on Finished Goods	2,18,074	-4,20,444
	<u>98,10,508</u>	<u>2,54,09,525</u>

### 2.23 Employee Benefit Expenses

Particulars	Year ended	Year ended
	31st March, 2017	31st March, 2016
	Amount (Rs)	Amount (Rs)
Salaries, wages, allowance and other benefits	6,57,85,707	7,86,74,725
Contribution to provident fund and other funds	32,12,693	35,38,573
Staff Welfare Expenses	8,66,220	10,58,259
<b>Total</b>	<u>6,98,64,619</u>	<u>8,32,71,557</u>

### 2.24 Finance Cost

Particulars	Year ended	Year ended
	31st March, 2017	31st March, 2016
	Amount (Rs)	Amount (Rs)
Interest	2,23,20,975	3,20,68,615
Bank Charges	32,68,959	40,23,760
Net loss / (gain) on Foreign currency transaction and translation.	-1,70,110	11,21,639
<b>Total</b>	<u>2,54,19,823</u>	<u>3,72,14,014</u>

### 2.25 Other Expenses

Particulars	Year ended	Year ended
	31st March, 2017	31st March, 2016
	Amount (Rs)	Amount (Rs)
Power & Electricity Charges	1,11,22,133	1,47,75,916
Freight Forwarding Charges	92,29,305	1,75,67,746
Rent Rates & Taxes (Net)	34,50,042	37,30,682
Repair & Maintenance	14,51,130	50,48,435
Commission	16,95,362	8,78,669
Travelling Expense	10,81,997	21,55,389
Communication Expenses	2,88,391	8,81,672
Printing & Stationery	3,65,424	7,95,291
Professional Fees & Consultancy Charges	8,87,789	15,01,681
Audit Fees	10,25,000	5,00,000
Office & Factory General Expenses	8,13,994	8,80,476
Security Charges	17,42,292	16,02,663
Inspection & Testing Charges	7,44,589	8,47,260
Insurance	23,39,094	23,12,192
Director Sitting Fees	3,04,000	2,12,500
Quantity Discount on Sales	5,37,220	-
Miscellaneous Expenses	13,47,106	11,90,115

## NOTES ON ACCOUNTS FOR THE YEAR ENDED 31 MARCH, 2017

Amortisation of Land Lease Premium	10,458	-
Transit House Maintenance Expenses	29,312	-
Processing Fees	60,280	-
<b>Total</b>	<b>3,85,24,918</b>	<b>5,49,17,216</b>

### Other Significant Notes

#### 2.26 Basic & Diluted Earnings Per Share

2.26.1 For the purpose of calculation of Basic and Diluted Earning Per Share the following amounts are considered :

Particulars	Year ended 31st March, 2017 Amount (Rs)	Year ended 31st March, 2016 Amount (Rs)
<b>Basic Earnings Per Share</b>		
Net Profit after tax (A)	1,63,95,525	1,34,27,721
Weighted average number of equity shares (Nos.) (B)	4,49,52,248	2,94,81,696
Basic Earnings Per Share of face value of Rs.10/- each (A)/(B)	<b>0.36</b>	<b>0.46</b>
<b>Diluted Earnings Per Share</b>		
Amount available for calculation of Diluted EPS (A)	1,63,95,525	1,34,27,721
Weighted average number of equity shares (Nos.)	4,49,52,248	2,94,81,696
Number of Shares used for calculating Diluted EPS (B)	4,49,52,248	2,94,81,696
Diluted Earnings Per Share of face value of Rs.10/- each (A)/(B)	<b>0.36</b>	<b>0.46</b>

2.26.2 As required by the Accounting Standard (AS) 28 'Impairment of Assets', the Company has reviewed potential generation of economic benefits from fixed assets. In the Current Financial Year, the Company has impaired some of the assets of Reusable Plant at Chalisgaon and the difference between the carrying amount and the recoverable amount is recognised as Impairment Loss in the Profit & Loss for the Year amounting to Rs 1.39 Crs.

#### 2.26.3 Contingent Liabilities not provided for

Particulars	As at 31st March, 2017 Amount (Rs)	As at 31st March, 2016 Amount (Rs)
Disputed Income Tax	80,64,739	80,64,739
Central Excise and Service Tax	-	30,43,530
Central Sales Tax	38,45,354	38,45,354
<b>Total</b>	<b>1,19,10,093</b>	<b>1,49,53,623</b>

#### 2.26.4 Capital and other commitments not provided for

Particulars	As at 31st March, 2017 Amount (Rs)	As at 31st March, 2016 Amount (Rs)
Performance Guarantees/Bid Bond given by banks to company's customers / government authorities etc.	4,78,40,179	2,21,67,699
Letter of credit outstanding for Import of Raw Materials	4,84,03,125	1,32,04,924

## NOTES ON ACCOUNTS FOR THE YEAR ENDED 31 MARCH, 2017

In accordance with the EPCG Scheme, imports of Capital goods are allowed to be made duty free, subject to the condition that the Company shall fulfil in future, a specified amount of Export obligation within a specified time. Amount of Duty saved on above goods against which Export obligation is yet to be fulfilled by the Company as at 31 March 2017 is Rs 49,00,14,657 (Previous year - Rs 17,03,63,320). Amount of Export Commitment on above	2,94,00,87,945	1,02,21,79,920
In accordance with the Advance License No. 0310810712 dated 23/01/2017, imports of Raw Materials are allowed to be made duty free, subject to the condition that the Company shall fulfil in future, a specified amount of Export obligation within a specified time. Amount of Duty saved on above goods against which Export obligation is yet to be fulfilled by the Company as at 31 March 2017 is Rs 74,46,341 (Previous year - NIL). Amount of Export Commitment on above	2,25,36,946	-
Contract remaining to be executed on capital accounts	34,57,04,359	1,93,23,05,529
<b>Total</b>	<b>3,40,45,72,554</b>	<b>2,98,98,58,072</b>

### 2.26.5 Disclosures pursuant to adoption of Accounting Standard 15 (Revised 2005) Employee Benefits

The Employees gratuity fund scheme managed by Life Insurance Corporation is a defined benefit plan. The present value of obligation is based on actuarial valuation using the projected unit credit method. The obligation for leave encashment is recognized in the same manner as gratuity.

#### Defined benefit plan

Details of defined benefit plan of Gratuity (Funded) and Leave Encashment (Non-Funded) are as follows

#### Actuarial assumptions

#### Economic assumptions

#### Major assumptions

	2017(%p.a.)	2016(%p.a.)
Discount rate (p.a.)	7.38	8.00
Salary escalation rate	5.00	5.00

#### Demographic assumptions

#### Major assumptions

Mortality	Indian Assured Lives Mortality (2006-08) Ultimate is used for purpose of Valuation.
Retirement age	60 years for all staff and workers
Attrition rate	8%

#### Expenses recognized in the statement of profit and loss

Particulars	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
	2017	2017	2016	2016
Current service cost	16,60,152	7,03,221	11,22,805	3,91,458
Interest cost	6,19,459	1,15,893	4,57,288	85,807
Expected return on plan assets	-49,236	-	(35,353)	-
Net actuarial (gain)/loss recognized	15,38,940	2,59,491	(42,35,905)	6,65,428
<b>Expenses recognized in the statement of profit and loss</b>	<b>37,69,315</b>	<b>10,78,605</b>	<b>(26,91,165)</b>	<b>11,42,693</b>

#### Present value of defined benefit obligation and the fair value of assets

**NOTES ON ACCOUNTS FOR THE YEAR ENDED 31 MARCH, 2017**

Particulars	Gratuity	Leave	Gratuity	Leave
	(Funded)	Encashment	(Funded)	Encashment
	2017	2017	2016	2016
Present value of obligation as at 31 March	1,04,17,486	21,36,151	77,43,231	14,48,661
Fair value of plan assets as at 31 March	7,29,583	-	51,60,210	-
<b>Liability recognized in the balance sheet</b>	<b>1,11,47,069</b>	<b>21,36,151</b>	<b>25,83,021</b>	<b>14,48,661</b>

**Change in the present value of obligation**

Particulars	Gratuity	Leave	Gratuity	Leave
	(Funded)	Encashment	(Funded)	Encashment
	2017	2017	2016	2016
Present value of obligation as at 1 April	77,43,231	14,48,661	57,16,104	10,72,593
Current service cost	16,60,152	7,03,221	11,22,805	3,91,458
Interest cost	6,19,459	1,15,893	4,57,288	85,807
Benefits paid	-11,48,875	-3,91,115	(6,07,534)	(7,66,625)
Actuarial (gain)/loss on obligations	15,43,519	2,59,491	10,54,568	6,65,428
<b>Present value of obligation as at 31 March</b>	<b>1,04,17,486</b>	<b>21,36,151</b>	<b>77,43,231</b>	<b>14,48,661</b>

**2.26.6 Disclosure as required by Accounting Standard AS-18 'Related Party Disclosure' in respect of transactions for the year.**
**A Key Management Personnel :**

Name of the Person	Designation
Mr. Murarilal Mittal	Managing Director
Mr. Sushil Radheyshyam Sharda	Whole Time Director
Mr. Sumit Kumar Modak	Whole Time Director
Mr. Venkateshwara Rao Kandikuppa	Whole Time Director
Dr. Shrawan Kumar Mittal	Director Administration not on Board
Mr. Mayank Mittal	Joint Managing Director
Mr. M S Arora	Chief Executive Officer
Mr. Rakesh Kumar Jain	Chief Financial Officer
Mr. Shailesh Rakhasiya	Company Secretary

**B List of related parties who can exercise control**

Gaji Mercantile Pvt. Ltd. (Holding Company)  
 Gyanshankar Investment & Trading Co. Pvt. Ltd  
 Stellar Credit and E-Trading Pvt. Ltd.

**C Transactions with related parties during the year are as follows:**

Particulars	As at	As at
	31st March, 2017	31st March, 2016
	Amount (Rs)	Amount (Rs)
<b><u>Intercorporate Deposits taken/(paid) during the year</u></b>		
Stellar Credit and E-Trading Pvt. Ltd.	-2,17,00,000	20,80,00,000
Gyanshankar Investment & Trading Co. Pvt. Ltd	2,17,00,000	8,52,00,000
<b><u>Salaries and other allowance paid to:</u></b>		
Mr. Murarilal Mittal	56,50,002	33,00,000
Mr. Sushil Radheyshyam Sharda	29,80,800	23,32,800
Mr. Sumit Kumar Modak	32,99,697	26,91,715
Mr. Venkateshwara Rao Kandikuppa	21,08,396	23,68,347
Dr. Sharwan Kumar Mittal	9,00,000	9,00,000

## NOTES ON ACCOUNTS FOR THE YEAR ENDED 31 MARCH, 2017

Mr. Mayank Mittal	44,70,155	25,39,600
Mr. M S Arora	41,48,659	-
Mr. Rakesh Kumar Jain	19,71,738	17,41,389
Mr. Shailesh Rakhasiya	4,83,436	2,80,450

### **Interest Expense on Intercorporate Deposits**

Stellar Credit and E-Trading Pvt. Ltd.	1,86,82,874	72,41,398
Gyanshankar Investment & Trading Co. Pvt. Ltd	96,30,647	63,19,446

### **Payment of Interest on Intercorporate Deposits (including TDS)**

Stellar Credit and E-Trading Pvt. Ltd.	1,66,08,892	17,24,139
Gyanshankar Investment & Trading Co. Pvt. Ltd	63,63,065	16,31,944

### **Balance outstanding at the end of the year:**

Stellar Credit and E-Trading Pvt. Ltd.	18,63,00,007	20,80,00,000
Gyanshankar Investment & Trading Co. Pvt. Ltd	10,69,00,000	8,52,00,000

### **Interest Payable at the end of the year:**

Stellar Credit and E-Trading Pvt. Ltd.	20,73,982	55,17,259
Gyanshankar Investment & Trading Co. Pvt. Ltd	32,67,582	46,87,502

**2.26.7.1** The Company leases the office premises under operating lease agreements that are renewable on periodic basis at the option of both lessor and lessee. The initial tenure of lease was for five years.

The Company has entered into lease agreement for one more Office Premises with Mr. Sameer Tanna for a period of three years beginning from 1st June, 2016 to 30th June, 2019. First 12 months of the tenure shall be the lock-in-period.

#### **Particulars**

	<b>As at 31st March, 2017 Amount (Rs)</b>	<b>As at 31st March, 2016 Amount (Rs)</b>
Lease Rental charged for the year	8625952	64,54,560
Future Lease Rental obligations payable		
Not later than one year	1812500	64,54,560
Later than one year but not later than five years	2222820	64,54,560
Later than five years	Nil	Nil

**2.26.7.2** The Company has paid Rs 3.12 Crores as Premium for acquiring Leasehold land at Chalisgoan Industrial area.

The initial tenure of Lease is 95 Years. The premium so paid will be amortized over lease period.

The Company has paid Rs 30.19 Lacs as Premium for acquiring Leasehold land at MIDC Plot No 1, Chalisgoan Industrial area.

The initial tenure of Lease is 95 Years. The premium so paid will be amortized over lease period.

**2.26.8** Other Additional information required as per Schedule III to the Companies Act, 2013 are as under:

#### **A Auditor's Remuneration**

##### **Particulars**

	<b>As at 31st March, 2017 Amount (Rs)</b>	<b>As at 31st March, 2016 Amount (Rs)</b>
Statutory Audit (Including Tax Audit Fees)	10,00,000	5,00,000
<b>Total</b>	<b>10,00,000</b>	<b>5,00,000</b>

#### **B CIF Value of Import**

##### **Particulars**

	<b>As at 31st March, 2017 Amount (Rs)</b>	<b>As at 31st March, 2016 Amount (Rs)</b>
Raw material	1,33,94,354	3,85,10,953
Capital Goods	1,25,09,78,574	64,18,99,123
<b>Total</b>	<b>1,26,43,72,928</b>	<b>68,04,10,076</b>



**C Expenditure in Foreign Currency  
Particulars**

	As at 31st March, 2017 Amount (Rs)	As at 31st March, 2016 Amount (Rs)
Travelling Expenses	30,26,724	29,28,387
Advertisement	-	4,00,810
Erection & Commissioning	4,59,66,960	-
Others	3,48,766	-
<b>Total</b>	<b>4,93,42,450</b>	<b>33,29,197</b>

**D Earnings in Foreign Currency  
Particulars**

	As at 31st March, 2017 Amount (Rs)	As at 31st March, 2016 Amount (Rs)
Export of Goods	3,60,63,641	3,27,90,308
<b>Total</b>	<b>3,60,63,641</b>	<b>3,27,90,308</b>

**2.26.9 Disclosure as per new amendments in Schedule III in respect of Micro Small & Medium Enterprises Development Act, 2006:**

There are no dues to Micro, Small and Medium Enterprises as defined under “The Micro, Small and Medium Enterprises Development Act, 2006” as at March 31,2017. This information has been determined to the extent such parties have been identified on the basis of the information available with the Company.

**2.26.10** The buyer’s credit has been taken for the import of Capital goods under term loans sanctioned by the banks, repayment thereof shall be as per terms of sanction as specified in note 2.3.2 (a).

**2.26.11** The Company was awarded an arbitral award ( "the Award") for the sum of Rs. 114.78 Lacs from the Central Organisation Railway Electrification ("CORE") and Rs. 098 Lacs towards cost of the Company through Arbitration Order dated January 19,2014. CORE has filed an Arbitration Case No. 478 of 2014 before Court of District Judge, Allahabad for setting aside the Award, and also allowing a sum of Rs. 120 Lacs, withheld by CORE, from our Company, towards the Risk Purchase Notice. Our Company has filed a Counter- Claim Petition in the said Arbitration case claiming from CORE, the sum of Rs. 120 Lacs plus a sum of Rs. 57.35 Lacs being interest at the rate of 18% till date of filing.

**2.26.12** Figures for the previous year have been re-grouped/re-classified wherever necessary.

As per our report of even date attached

**For Sureka Associates  
Chartered Accountants  
Firm Registration No: 110640W**

**Suresh Sureka**  
Partner  
Membership No:34132  
Date : 27th May, 2017  
Place : Mumbai

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

**Murarilal Mittal**  
Manging Director  
DIN: 00010689

**Rakesh Kumar Jain**  
Chief Financial Officer  
PAN: ABBPJ5834H

**Sushil Sharda**  
Whole Time Director  
DIN: 03117481

**Shailesh Rakhasiya**  
Company Secretary  
PAN: ALUPR5390R

2.11 Tangible & Intangible Assets

(Amt. in Rs.)

Description	Gross block				Depreciation/amortisation					Net block	
	As at 1 April 2016	Additions	Deductions	As at 31 March 2017	As at 1 April 2016	For the year	Impairment	Deductions	As at 31 March 2017	As at 31 March 2017	As at 31 March 2016
<b>A Tangible assets</b>											
Freehold Land	32,61,62,974	-	-	32,61,62,974	-	-	-	-	-	32,61,62,974	32,61,62,974
Leasehold Land	-	3,62,11,790		3,62,11,790	-	15,17,954	-	-	15,17,954	3,46,93,836	-
Factory Buildings	8,44,09,142	32,58,06,196		41,02,15,338	3,24,46,877	22,82,985	-	-	3,47,29,862	37,54,85,476	5,19,62,265
Office Premises	1,28,72,391	11,81,67,976	1,28,72,391	11,81,67,976	33,66,115	3,10,553	-	35,21,713	1,54,955	11,80,13,021	95,06,276
Plant and Machinery	37,50,76,682	2,19,53,78,159	-	2,57,04,54,841	14,54,72,158	1,87,05,516	1,39,21,238	-	17,80,98,912	2,39,23,55,934	22,96,04,530
Electrical Installation	-	11,10,15,351	-	11,10,15,351	-	3,27,594	-	-	3,27,594	11,06,87,762	-
Furniture and fixtures	1,79,45,224	71,39,178	15,45,196	2,35,39,206	62,13,392	21,90,390	-	12,47,682	71,56,100	1,63,83,106	1,17,31,832
Motor vehicles	2,40,76,509	44,77,634	-	2,85,54,143	63,27,810	31,37,558	-	-	94,65,368	1,90,88,775	1,77,48,699
Motor Bike	96,986	-	-	96,986	14,875	9,213	-	-	24,088	72,898	82,111
Office equipments	65,36,321	30,85,190	15,878	96,05,633	57,63,141	6,03,038	-	3,776	63,62,402	32,43,230	7,73,180
Computers	52,57,092	23,47,799	-	76,04,891	44,69,445	4,75,477	-	-	49,44,922	26,59,970	7,87,648
<b>Sub total - A</b>	<b>85,24,33,322</b>	<b>2,80,36,29,273</b>	<b>1,44,33,465</b>	<b>3,64,16,29,129</b>	<b>20,40,73,812</b>	<b>2,95,60,278</b>	<b>1,39,21,238</b>	<b>47,73,171</b>	<b>24,27,82,157</b>	<b>3,39,88,46,982</b>	<b>64,83,59,516</b>
<b>B Intangible asset</b>											
Computer Software	50,69,667	2,59,629	-	53,29,296	29,17,290	3,91,853	-	-	33,09,143	20,20,153	21,52,377
<b>Sub total - B</b>	<b>50,69,667</b>	<b>2,59,629</b>	<b>-</b>	<b>53,29,296</b>	<b>29,17,290</b>	<b>3,91,853</b>	<b>-</b>	<b>-</b>	<b>33,09,143</b>	<b>20,20,153</b>	<b>21,52,377</b>
<b>Total</b>	<b>85,75,02,989</b>	<b>2,80,38,88,902</b>	<b>1,44,33,465</b>	<b>3,64,69,58,425</b>	<b>20,69,91,102</b>	<b>2,99,52,131</b>	<b>1,39,21,238</b>	<b>47,73,171</b>	<b>24,60,91,300</b>	<b>3,40,08,67,135</b>	<b>65,05,11,893</b>
Previous year	84,13,05,853	2,16,04,635	54,07,500	85,75,02,988	18,33,46,171	2,36,44,926	-	-	20,69,91,097	65,05,11,891	65,79,59,683

**Note:** Amortisation for Leasehold Land for the Current Year amounts to Rs 3.81 lacs only. However, the balance of Rs 11.36 lacs pertains to amortisation done in previous years.

## NOTICE OF 31<sup>st</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 31<sup>st</sup> Annual General Meeting of Members of Bharat Wire Ropes Limited (“**the Company**”) will be held on Saturday, September 9, 2017 at 12:00 noon at the Registered Office of the Company at Plot No. 1 & 4, Atgaon Industrial Complex, Mumbai-Nasik Highway, Atgaon (East), Taluka Shahpur, Dist. – Thane – 421 601, Maharashtra, India, to transact the following businesses:

### Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2017 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Ruhi Mittal (DIN: 07159227) who retires by rotation and being eligible, has offered herself for re-appointment.
3. To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, the appointment of M/s. Sureka Associates, Chartered Accountants (Firm Registration No. – 110640W) as the Statutory Auditor of the Company to hold office till the conclusion of the 34th Annual General Meeting be and is hereby ratified on such remuneration plus Goods & Service Tax, out-of-pocket expenses, as may be mutually agreed upon by the Board of Directors and the Statutory Auditors.”

### Special Business:

4. **Appointment of Mr. Shiv Kumar Malu (DIN: 05345172) as an Independent Director**

To consider and if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 161 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) read with Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Shiv Kumar Malu (DIN: 05345172) who was appointed as an Additional Director on February 15, 2017 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company

has received a notice in writing from a Member along with the deposit of requisite amount under Section 160 of the Act signifying his intention to propose Mr. Malu as a candidate for the office of a director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) up to February 14, 2022, subject to Mr. Malu satisfying the criteria of independence in terms of the Companies Act, 2013, the Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and shall not be liable to retire by rotation.”

By Order of the Board of Directors  
For **Bharat Wire Ropes Limited**

**Shailesh Rakhasiya**  
Company Secretary & Compliance Officer  
Membership No. A32244

**Date:** May 27, 2017

**Place:** Mumbai

### Registered Office:

Plot No. 1 & 4, Atgaon Industrial Complex,  
Mumbai-Nasik Highway, Atgaon (East),  
Taluka Shahpur, Thane – 421 601  
**CIN : L27200MH1986PLC040468**

### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY, TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF/HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Pursuant to provisions of Section 105 of the Companies Act, 2013 (“**the Act**”), read with the applicable rules thereon, a person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other person or shareholder. Proxies in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than forty eight hours before the commencement of the Meeting. A proxy form is attached hereto.
3. Corporate Members are required to send a certified copy of the Board Resolution, pursuant to Section 113 of the

- Act authorizing their representatives to attend and vote on their behalf at the Meeting.
4. An Explanatory Statement pursuant to Section 102(1) of the the Act, 2013 relating to the Special Business to be transacted at the AGM is annexed hereto.
  5. The Notice of the AGM along with the Annual Report is being sent via electronic mode to those Members whose email address is registered with the Company/ Depositories, unless physical copy is requested by them. For Members who have not registered their email address, physical copies are being sent by permitted mode. The Notice of the AGM along with the Annual Report will be available on the website of the Company at [www.bharatwireropes.com](http://www.bharatwireropes.com).
  6. Members who have not registered their email addresses so far are requested to register their email address for receiving all email communications including Annual Report, Notices, Circulars etc. from the Company electronically.
  7. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
  8. Members, Proxies and Authorised Representatives are requested to bring to the meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No.
  9. Pursuant to Section 91 of the Act and Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Register of Members of the Company will remain closed from September 4, 2017 to September 9, 2017, both days inclusive (Book Closure Date) for the purpose of AGM.
  10. Pursuant to Regulation 36 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, details of Directors seeking re-appointment at the AGM of the Company to be held on September 09, 2017 are provided in Annexure A of this Notice. The Company has received the consents/declarations for their re-appointments as required under the Act and the rules framed thereunder.
  11. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the registered office situated at Plot No. 1 & 4, Atgaon Industrial Complex, Mumbai-Nasik Highway, Atgaon (East), Taluka Shahpur, Thane – 421 601, Maharashtra, during business hours between 11.00 a.m. To 1.00 p.m. except on holidays, up to the date of this AGM and also at the AGM.
  12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar and Transfer Agent / Company.
  13. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH.13 prescribed by the Government can be obtained from the Registrar and Share Transfer Agent.
  14. In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy Computershare Private Limited (“Karvy”), on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the AGM.
  15. The Board of Directors of the Company has appointed Mr. Abhishek Lakhotia, Proprietor, M/s. Abhishek Lakhotia & Co., Practicing Company Secretaries to act as the Scrutinizer, to scrutinize the e-voting process (including votes cast by the members at the Annual General Meeting) in a fair and transparent manner.
  16. The remote e-voting commences on 9.00 a.m. on Wednesday, September 06, 2017 and will end at 5.00 p.m. on Friday, September 08, 2017. The Remote e-voting module shall be disabled by Karvy at 5.00 p.m. on the same day.
  17. The cut-off date for the purpose of remote e-voting and voting at AGM shall be Saturday, September 2, 2017.
  18. Instructions for Members for Voting through electronic means:
    - A. In case of Member receiving email from Karvy
      - Launch an internet browser and open <https://evoting.karvy.com>
      - Enter the login credentials (i.e. User ID and password).
      - The Event No., Folio No. or DP ID-Client ID will be your User ID.

User – ID	For Members holding shares in Demat Form:
	For NSDL: 8 Character DP ID followed by 8 Digits Client ID
	For CDSL: 16 Digits beneficiary ID
	For Members holding shares in Physical Form: Event no. followed by Folio Number registered with the Company
Password	Your unique password is printed overleaf / sent via email forwarded through the electronic notice
Captcha	Please enter the Verification code i.e., the alphabets and numbers in the exact way as they are displayed for security reasons.

- i. After entering the above details click on – Login.
- ii. Password change menu will appear. Change the Password with a new Password of your choice. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$,etc.) The system will prompt you to update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case if you forget it. It is strongly recommended that you do not share your password with anyone and that you should take utmost care to keep your password confidential. You need to login again with the new credentials.
- iii. On successful login, the system will prompt you to select the E-Voting Event.
- iv. Select the EVENT of Bharat Wire Ropes Limited and click on - Submit.
- v. Cast your vote by selecting appropriate option and click on ‘Submit’. Click on ‘OK’ when prompted.
- vi. Upon confirmation, the message ‘Vote cast successfully’ will be displayed.
- vii. Once you have voted on the resolution, you will not be allowed to modify your vote.

Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter, along with attested specimen signature(s) of

the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer by an e-mail at [cs.scrutinizer@gmail.com](mailto:cs.scrutinizer@gmail.com) They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format ‘Corporate Name EVENT NO.’

- B. In case of Members receiving physical copy of the Notice of AGM and Attendance Slip:

- i. Initial password is provided in the enclosed notice which is as follows.

<b>EVEN (E-Voting Event Number)</b>	<b>USER ID</b>	<b>PASSWORD</b>
-	-	-

- ii. Please follow all steps from Sr. No. (i) to Sr. No. (xi) above, to cast vote.

19. The facility for voting through polling paper shall also be made available at the AGM and the Members attending the meeting who have not casted their vote by remote e-voting shall be eligible to exercise their right to vote at the AGM. The Members who have casted their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
20. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@karvy.com](mailto:evoting@karvy.com) However, if he/she is already registered with Karvy for remote e-voting then he/she can use his/her existing User ID and password for casting vote. If you forget your password, you can reset your password by using “Forgot User Details / Password” option available on [evoting@karvy.com](mailto:evoting@karvy.com).
21. The Scrutinizer, immediately after the conclusion of voting at the AGM, count the votes casted at the Meeting, 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 submit the same not later than 48 hours of conclusion of the Meeting, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
22. The result declared along with the Scrutinizer’s Report shall be placed on the Company’s website [www.bharatwireropes.com](http://www.bharatwireropes.com) and on the website of Karvy at [www.evoting.karvy.com](http://www.evoting.karvy.com) immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed. The resolution shall be deemed to be passed on the date of the AGM subject to receipt of sufficient votes.

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

**Item No. 4**

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company had appointed Mr. Shiv Kumar Malu (DIN: 05345172) as an Additional Director of the Company on February 15, 2017. Further, in terms of provisions of Sections 149 and 152 read with Schedule IV of the Companies Act, 2013 (hereinafter referred as ‘the Act’) and rules made thereunder, the Board of Directors of the Company had also appointed (subject to the approval of the members at the ensuing General Meeting), Mr. Shiv Kumar Malu as an Independent Director of the Company within the meaning of Section 149(6) of the Act and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for a term of 5 consecutive years commencing from February 15, 2017.

The Company has also received a declaration from Mr. Shiv Kumar Malu as specified under Section 149(6) and Schedule IV of the Companies Act 2013. Considering his vast experience, his presence on the Board will be of immense value to the Company.

The Company has received a notice in writing from a member along with deposit of the requisite amount pursuant to Section 160 of the Act, proposing the candidature of Mr. Shiv Kumar Malu for the office of Independent Director of the Company, to be appointed as such under the provisions of Section 149 of the Act.

None of the Directors, Key Managerial Personnel and their relatives, except Mr. Malu, are in any way, concerned or interested either financially or otherwise in the said resolution.

Therefore your Board of Directors recommends passing the resolution set out in item No.4 as Ordinary Resolution.

**Annexure A**

**BRIEF RESUME OF DIRECTOR SEEKING APPOINTMENT / RE-APPOINTMENT AT THIS ANNUAL GENERAL MEETING**

*(Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards – 2 on General Meetings)*

Particulars	Ms. Ruhi Mittal	Mr. Shiv Kumar Malu
DIN	07159227	05345172
Date of Birth and Age	October 1, 1980, 36 years	February 16, 1958, 59 years
Date of the first appointment on the Board	April 16, 2015	February 15, 2017
Qualifications	Masters of Business Administration from Guru Jambheshwar University, Hissar, and Masters of Law from Kurukshetra University, Kurukshetra.	B.Com., L.L.B. and F.C.A (Institute of Chartered Accountants of India)
Experience	Ms. Mittal has expertise in the field of Law, Management (Human Resource) & Corporate Legal, and is currently working as an Assistant Professor at MM Institute of Management, MM University, Ambala. She has an overall experience of approximately 5 (five) years.	Wide experience in the field of Audit, Taxation and Project Funding as Practicing Chartered Accountant.
Number of Meetings attended in the Financial Year. 2016-17 as on the date of the Notice	1 Board Meeting	NIL
Directorships held in other Listed Companies (Excluding foreign Companies and Section 8 Companies)	NIL	NIL
Memberships/ Chairmanships of committees across all other public companies (Includes only Audit and Shareholders’ Relationship Committee)	<b>Bharat Wire Ropes Limited</b> – Stakeholders Relationship Committee (Chairperson)	NIL

Shareholding on the Company as on March 31, 2017	NIL	3500 shares
Relationship with Directors, Managers and Key Managerial Personnel	None	None
Terms & Conditions of appointment or re-appointment along with details of remuneration sought to be paid and remuneration last drawn by such person	Appointed as a Non-Executive Non-Independent Director of the Company and subject to such conditions as prescribed by the Nomination and Remuneration Committee of the Company.	Appointed as an Independent Director of the Company for a period of Five consecutive years and subject to such conditions as prescribed by the Nomination and Remuneration Committee of the Company.
Justification of Appointment	NA	Mr. Malu has an experience of more than 3 decades in the field of Audit, Taxation and Project Funding as Practicing Chartered Accountant and is known to provide an objective view in matters Audit, Taxation and Project Funding and Corporate Governance.

By Order of the Board of Directors  
For **Bharat Wire Ropes Limited**

**Shailesh Rakhasiya**  
**Company Secretary & Compliance Officer**  
**Membership No. A32244**

**Date:** May 27, 2017

**Place:** Mumbai

**Registered Office:**

Plot No. 1 & 4, Atgaon Industrial Complex,  
Mumbai-Nasik Highway, Atgaon (East),  
Taluka Shahpur, Thane – 421 601  
**CIN : L27200MH1986PLC040468**



## BHARAT WIRE ROPES LIMITED

Registered Office: Plot No. 1 & 4, Atgaon Industrial Complex, Mumbai-Nasik Highway,  
Atgaon (East), Taluka Shahpur, Thane – 421601, Maharashtra, India  
Tel: +91-2527-240123; Fax: +91-2527-240196  
Website: [www.bharatwireropes.com](http://www.bharatwireropes.com), E-mail id: [investors@bharatwireropes.com](mailto:investors@bharatwireropes.com)  
CIN: L27200MH1986PLC040468

### MGT-11 PROXY FORM

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

**31st Annual General Meeting, Saturday, September 09, 2017 at 12.00 Noon**

Name of the Member(s):	
Registered Address:	
E-mail id:	
DP Id. / Client Id.	
Regd. Folio No.	

I / We, being the shareholder(s) of \_\_\_\_\_ shares of the above named Company, hereby appoint:

1.	Name:	
	Address:	
	Email id:	
	Signature:	

Or failing him;

2.	Name:	
	Address:	
	Email id:	
	Signature:	

Or failing him;

3.	Name:	
	Address:	
	Email id:	
	Signature:	

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the **31st Annual General Meeting** of the Company, to be held on Saturday, September 09, 2017 at 12:00 Noon at the Registered Office of the Company situated at Plot No. 1 & 4, Atgaon Industrial Complex, Mumbai-Nashik Highway, Atgaon (East), Taluka Shahpur, Thane – 421601 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution
1	Adoption of Financial Statements for the Financial year march 31, 2017 along with Board's report and Auditors report.
2	Re-appointment of Ms. Ruhi Mittal (DIN: <b>07159227</b> ) as a director liable to retire by rotation.
3	Ratification of appointment of auditors.
4	Appointment of Mr. Shiv Kumar Malu (DIN: <b>05345172</b> ) as an Independent Director.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2017

Signature of Shareholder(s) \_\_\_\_\_

Signature of Proxy Holder:

Affix Revenue Stamp
---------------------------

1. \_\_\_\_\_ 2. \_\_\_\_\_ 3. \_\_\_\_\_

**Notes:**

1. **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**



## BHARAT WIRE ROPES LIMITED

Registered Office: Plot No. 1 & 4, Atgaon Industrial Complex, Mumbai-Nasik Highway,  
Atgaon (East), Taluka Shahpur, Thane – 421601, Maharashtra, India  
Tel: +91-2527-240123; Fax: +91-2527-240196  
Website: www.bharatwireropes.com, E-mail id: info@bharatwireropes.com  
CIN: L27200MH1986PLC040468

### ATTENDANCE SLIP

**31<sup>st</sup> Annual General Meeting, Saturday, September 09, 2017 at 12.00 Noon**

Registered Folio	
DP ID & Client ID	
Name of Shareholder/ Proxyholder	
No. of Shares held	

I certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the 31<sup>st</sup> Annual General Meeting of the Company on Saturday, September 09, 2017 at 12.00 noon at Plot No. 1 & 4, Atgaon Industrial Complex, Mumbai-Nasik Highway, Atgaon (East), Taluka Shahpur, Thane – 421601, Maharashtra, India

\_\_\_\_\_  
Member's/Proxy's Signature

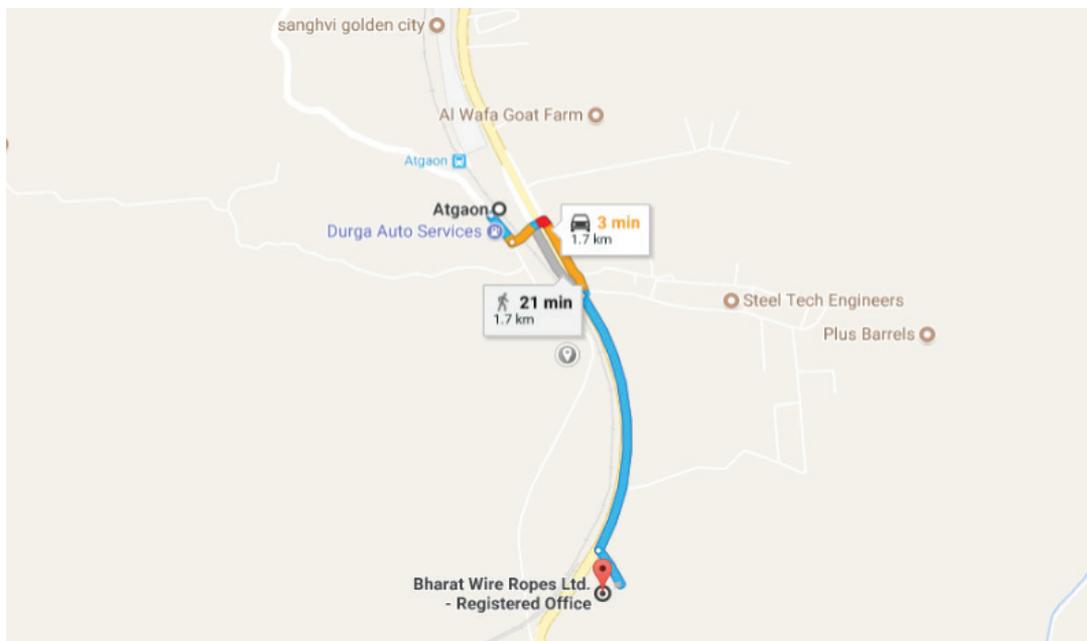
**Note:** Please fill this attendance slip and hand it over at the entrance of the hall.  
The electronic voting particulars are set out below:

EVEN No. (Remote E-Voting Event Number)	USER ID	PASSWORD/PIN

**ROUTE MAP TO THE ANNUAL GENERAL MEETING VENUE:**

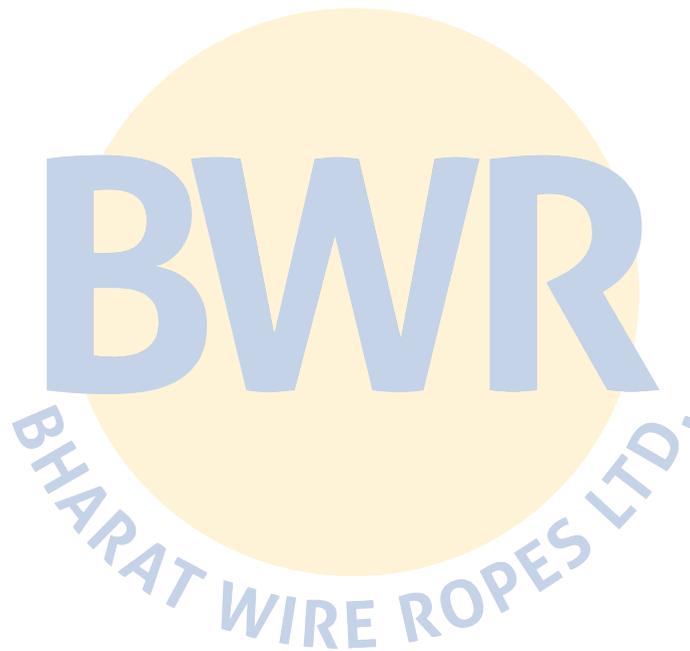
**BHARAT WIRE ROPES LTD.**

**Address: Plot No. 1 & 4, Atgaon Industrial Complex, Mumbai Nasik-Highway,  
Atgaon (East), Taluka Shahpur, Thane – 421 601**





# BHARAT WIRE ROPES LTD.



## Registered Office:

Plot No. - 1&4, Atgaon Industrial Complex, Mumbai - Nasik Highway,  
Atgaon (East), Taluka - Shahpur, Dist. - Thane - 421601.

Tel: +91 2527 240197 Fax: +91 2527 240196

## Corporate Office:

A-701, Trade World, Kamla City, Senapati Bapat Marg,  
Lower Parel (West), Mumbai-400013. India

Tel.: +91-22-66824600/01/02/03/04 Fax No.: +91-22-24955477

CIN: L27200MH1986PLC040468