

SW:SEC:037
27th May, 2019

Bombay Stock Exchange Limited
Dept. of Corporate Services
Floor 7, P J Towers,
Dalal Street
Mumbai- 400 001.
Fax No. 91 22 2272 3577/3354/1557

The Calcutta Stock Exchange Ltd.
7, Lyons Range
Kolkata-700 001

Ref: Company Code No. 532455

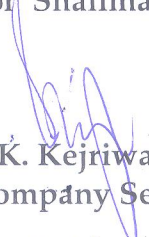
**Sub: Intimation of approved Audited Financial Results for the quarter
and year ended 31st March, 2019.**

Dear Sirs,

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose a copy of the Audited Financial Results of the company along with segment-wise Revenue Results and Capital Employed for the quarter and year ended 31st March, 2019, alongwith Auditors' Report approved at the meeting of the Board of Directors of the company held today i.e. on 27th May, 2019.

Thanking you,

Yours faithfully,
For **Shalimar Wires Industries Ltd.**


S.K. Kejriwal
Company Secretary

Encl : as above

SHALIMAR WIRES INDUSTRIES LIMITED

77, Netaji Subhas Road, Uttarpara-712258, Dist. Hooghly (WB) INDIA, Phone : +91 (33) 2663-8186 / 4012-6400 (30 lines)
Fax : (033) 26633249 / 26637611, E-mail : swilutp@shalimarwires.com
Registered Office : 25, Ganesh Chandra Avenue, Kolkata-700 013, India, Phone : 91-33-2234-9308 / 09 /10
Fax : 91-33-2211-6880, E-mail : swilho@shalimarwires.com, Website : www.shalimarwires.com
CIN : L74140WB1996PLC081521



SHALIMAR WIRES INDUSTRIES LIMITED

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2019

Sl.No	Particulars	3 months ended	3 months ended	3 months	Year ended	Year ended
		(31/03/2019) Audited	(31/03/2018) Audited	ended (31/12/2018) Unaudited	(31/03/2019) Audited	(31/03/2018) Audited
(Rs. in Lacs)						
I	Revenue from operations	3,154.27	2,731.85	2,803.59	11,467.44	10,748.05
	a) Sales of Products (Net of GST Refer Note no.2)	42.52	40.16	8.32	67.10	58.61
	b) Other Operating Revenue	3,196.80	2,772.02	2,811.91	11,534.55	10,806.67
II	Other Income	214.79	331.49	17.26	333.78	331.49
III	Total Revenue (I+II)	3,411.59	3,103.50	2,829.17	11,868.33	11,138.15
IV	Expenses					
	a) Cost of materials Consumed	875.72	881.16	904.86	3,511.89	3,195.84
	b) Changes in inventories of finished goods, Work in progress and Stocks in trade	83.43	416.13	(56.69)	31.40	331.66
	c) Excise Duty (Refer Note No.2)	-	2.21	-	-	271.00
	d) Employee benefit expenses	620.39	700.85	699.93	2,695.97	2,590.75
	e) Finance Cost	326.35	293.38	139.52	881.31	797.06
	f) Depreciation and amortisation expense	53.38	80.97	150.77	504.81	536.27
	g) Other Expenses	2,136.61	1,968.07	876.35	4,755.95	4,526.66
	Total Expenses	4,095.87	4,342.77	2,714.74	12,381.32	12,289.24
V	Profit / (Loss) before exceptional items and tax (III-IV)	(684.28)	(1,239.27)	114.43	(512.99)	(1,111.09)
VI	Exceptional Items, Income/(Expense)	-	17,106.02	-	-	21,457.66
VII	Profit/ (Loss) before tax (V+VI)	(684.28)	15,866.75	114.43	(512.99)	20,346.57
VIII	Tax Expense	-	-	-	-	-
	Current Tax	-	-	-	-	-
	Deferred Tax	-	-	-	-	-
IX	Profit/ (Loss) from Ordinary Activities after Tax (VII-VIII)	(684.28)	15,866.75	114.43	(512.99)	20,346.57
X	Extraordinary Items (net of tax expense)	-	-	-	-	-
XI	Profit/ (Loss) for the period (IX+X)	(684.28)	15,866.75	114.43	(512.99)	20,346.57
XII	Other Comprehensive Income (Net of tax, net credit/ (charges))	(21.24)	42.75	-	(21.24)	42.75
XIII	Total Comprehensive Income (XI+XII)	(705.52)	15,909.49	114.43	(534.23)	20,389.31
	Paid-up Equity Share Capital					
	a) Fully Paid Up (Rs.2/- Each Fully Paid Up Previous Year Rs.2/- Each Fully Paid Up)	855.10	855.10	855.10	855.10	855.10
	b) Partly Paid Up	-	-	-	-	-
	Reserves Excluding Revaluation Reserves	-	-	-	-	-
	As per Balance Sheet of Previous Accounting Year	-	-	-	3,744.07	4,278.30
	Earning per Share (EPS)					
	a) Basic & Diluted EPS (Rs.)	(1.60)	37.11	0.27	(1.20)	47.59
	b) Basic & Diluted EPS (Rs.)	(1.60)	37.11	0.27	(1.20)	47.59
	PARTICULARS OF SHARE HOLDING					
	1) Public Shareholding					
	- Number of Equity Shares	14,931,141	14,931,141	14,931,141	14,931,141	14,931,141
	- Percentage of Shareholding	34.92%	34.92%	34.92%	34.92%	34.92%
	2) Promoters and Promoter Group Shareholding					
	a) Pledged/Encumbered	-	-	-	-	-
	- Number of Shares	27,823,982	27,823,982.00	27,823,982	27,823,982	27,823,982
	- Percentage of Shares (as a % of the total Shareholding of Promoter and Promoter Group)	100.00%	100.00%	100.00%	100.00%	100.00%
	- Percentage Of Shares (as a % of the total Share Capital of the Company)	65.08%	65.08%	65.08%	65.08%	65.08%
	b) Non-Encumbered					
	- Number of Shares	Nil	Nil	Nil	Nil	Nil
	- Percentage of Shares (as a % of the total Shareholding of Promoter and Promoter Group)	Nil	Nil	Nil	Nil	Nil
	- Percentage of Shares (as a % of the total Share Capital of the Company)	Nil	Nil	Nil	Nil	Nil

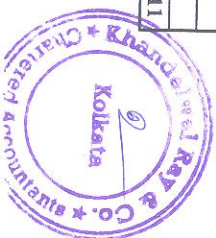
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SHALIMAR WIRES INDUSTRIES LIMITED
STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST MARCH, 2019

Rs. in Lacs

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Audited		Audited	
A. ASSETS				
I Non-current assets				
(a) Property, Plant and Equipment		7,300.81		4,530.11
(b) Capital work-in-progress		2,092.26		696.61
(c) Other Intangible assets		42.92		53.10
(d) Financial Assets				
(i) Investments	1.53		1.53	
(ii) Others financial assets		1.53		1.53
(e) Other non-current assets		725.27		1,199.32
Total Non-Current Assets		10,162.79		6,480.67
2 Current assets				
(a) Inventories				2,496.00
(b) Financial Assets		2,740.45		
(i) Trade receivables		3,017.36		3,282.14
(ii) Cash and cash equivalents		275.99		2,973.49
(iii) Other Bank balances		635.59		303.76
(iv) Others financial assets				
(v) Others financial assets		3,928.93		6,559.39
(c) Other current assets		908.63		317.86
Total Current Assets		7,578.01		9,373.25
Total Assets		17,740.80		15,853.92
B. EQUITY AND LIABILITIES				
I Equity				
(a) Equity Share capital		855.10		855.10
(b) Other Equity		3,744.07		4,278.30
Total Equity		4,599.18		5,133.41
II LIABILITIES				
I Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings		7,780.44		6,527.76
(ii) Other financial liabilities				43.43
(b) Provisions		7,780.44		6,571.20
(c) Other non-current liabilities		612.78		637.28
Total Non-Current Liabilities		213.19		216.64
Total Assets		8,606.42		7,425.11



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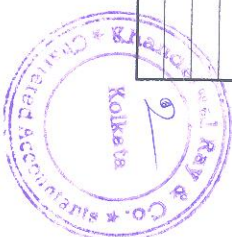
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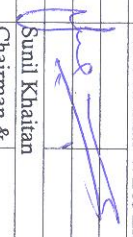

2 Current liabilities							
(a) Financial liabilities							
	(i) Borrowings	369.92			116.04		
	(ii) Trade payables	2,219.33			1,545.07		
	(iii) Other financial liabilities	1,198.24			977.57		
			3,787.50			2,638.68	
	(b) Other current liabilities						
	(c) Provisions		595.58			558.94	
			152.13			97.78	
	<i>Total Current Liabilities</i>				4,535.21		3,295.40
	Total Liabilities				13,141.62		10,720.52
	Total Equity and Liabilities				17,740.80		15,853.92

STATEMENT OF THE FINANCIAL RESULT FORB THE QUARTER ENDE 31ST MARCH 2019

Notes:

- 1 The financial results of the company have been prepared in accordance with Indian Accounting Standard (Ind AS) prescribed under section 133 of Companies Act, 2013 read with the relevant rules thereunder and in terms of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular dated 5th July, 2016
- 2 According to the requirements of Ind As and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, revenue for the corresponding previous year ended 31st March, 2017 were reported inclusive of Excise Duty. The Government of India has implemented Goods Service Tax (GST) from 1st July, 2017 replacing of Excise Duty, Service Tax and various other indirect taxes. In accordance with the requirement of Ind As 18, revenue for the quarter and year ended 31st March, 2019 is reported net of GST as such the revenue reported for the quarter and year ended 31st March, 2019 is not comparable with the revenues reported in the previous year ended as above.
- 3 Effective from 1st April, 2018, the Company has adapted Ind AS 115 'Revenue from Contracts with Customers'. The adaption of Ind AS 115 did not have any significant impact on the financial results of the Company.
- 4 No provision has been made in respect of the following considered as Contingent Liabilities:
 - i) Claims against the company not acknowledge as debts Rs. 77.28 lacs
 - ii) Demands of various Government Activities (Sales Tax, Excise, etc) under Appeals Rs. 434.21 lacs.
 - iv) Liability likely to arise on re-opening of cases by various authorities, amount unascertained.
- 5 i) During the financial year 2017-18 Kotak Mahindra Bank Ltd(KMBL), pursuant to their Sanction letter dated 13.02.2018, sanctioned credit facilities of Rs 32 crore overall segregated into (a) a term loan of Rs.20 crores (with a sublimit of Rs.5 crores towards cash credit facilities) and (b) non-fund facility towards Letter of Credit of Rs.12 crores to the Company. The term loan is repayable in 60 monthly instalments with a moratorium of one year as to the principal amount. The Letters of Credit are proposed to be utilised for import of machineries for the proposed expansion project. During the year ended March 31, 2018 the company availed Rs. 18 crores out of the sanctioned term loan for settlement of ARCL.
 - ii) Subsequently, pursuant to the Order of the Honble High Court of Kolkata dated 17th April, 2018 the State Bank of India has released accumulated balance of Rs 25.99 crore (including interest and net of charges) being sale proceeds of assets kept deposited in No-lien account of SBI so far. Consequently, the Company has repaid Rs 18 crore to KMBL (out of amount released by SBI) and balance utilised to pay of pending statutory liabilities.



	iii) Post repayment, on being approached by the Company to support the Expansion plan currently being envisaged by the Company in lying with the erstwhile DRS, KMBI, vide Sanction letter dated 21/5/2018 and 20/11/2018, has revised their Sanction letter dated 13/02/2018 and sanctioned overall credit facilities of Rs.49.46 crores (including Forex Fwd LER of Rs. 4 crores) segregated into (a) Term Loan of Rs. 18.46 crores (b) Working Capital Limit of Rs. 5 crore and (c) LC limit of Rs.22 crore backed up by a Term Loan of Rs. 22 crores. Term Loan of Rs. 9.46 crores is against Capex repayable in 60 monthly instalments and balance Rs.9 crores is against GST payable on purchase of machineries and is repayable in 36 monthly instalments. Minimum upfront cash margin of 10% and additional margin of 1.5% of the LC amount is required to be built up monthly in respect of the LC facilities. The Company has availed Term Loan of Rs. 16.37 crores out of Rs.18.46 crores for Capex including GST and LC facilities of Rs.16.31 crore during the year for purchase of imported machineries.				
	iv) Unsecured Loans from promoters Rs. 13.75 lacs and certain bodies corporate Rs.11.25 lacs are repayable after the repayment of all settled dues of secured creditors are made pursuant to the Rehabilitation Scheme sanctioned by its Order dated 10/06/2010 of the erstwhile BIFR. As per said sanction Scheme of erstwhile BIFR, no interest is payable on above loans.				
6	The figures for last quarter of the current year and of the previous year are the balancing figure between the audited figures in respect of the full financial year and the published year to date figures upto 3rd quarter.				
7	Previous period figures have been regrouped / rearranged wherever considered necessary.				
8	The above results were taken on record and approved by the Board Of Directors at its meeting held on 27th May, 2019.				
9	The above results is as per Clause 41 of the Listing Agreement.				
	For Shalimar Wires Industries Limited				
					
	Sunil Khaitan Chairman &				
					
	Managing Director				
Kolkata					
27th May, 2019					

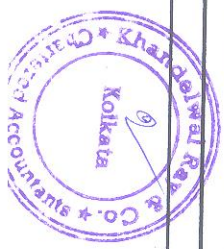


SHALIMAR WIRES INDUSTRIES LIMITED

SEGMENT WISE REVENUE, RESULTS, ASSETS, LIABILITIES AND CAPITAL EMPLOYED FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2019

Sl. No	Particulars	3 months ended		3 months ended		3 months ended		Year ended		(Rs. in Lacs)	
		Audited	Audited	Audited	Unaudited	Audited	Audited	Audited	Audited		
		(31/03/2019)	(31/03/2018)	(31/12/2018)	(31/03/2019)	(31/03/2019)	(31/03/2018)				
1	Segment Revenue (Sale and Other Operating Income)										
	(a) Segment -Paper Mill Product	2,885.85	2,464.20	2,481.77	10,251.92	9,533.16					
	(b) Segment -Strip & Wire	310.95	307.82	330.14	1,282.63	1,273.51					
	(c) Segment -Others	-	-	-	-	-					
	Total Segment Revenue	3,196.80	2,772.02	2,811.91	11,534.55	10,806.67					
	Less: Inter Segment Revenue	-	-	-	-	-					
	Net sales/Income From Operations	3,196.80	2,772.02	2,811.91	11,534.55	10,806.67					
	2	Segment Results									
		(a) Segment -Paper Mill Product	(457.22)	(1,510.53)	324.73	451.71	(667.49)				
		(b) Segment -Strip & Wire	(115.50)	233.16	(88.04)	(417.17)	21.98				
(c) Segment -Others		-	-	-	-	-					
Total Segment Results		(572.72)	(1,277.37)	236.69	34.54	(645.51)					
Other Income		214.79	331.49	17.26	333.78	331.49					
Finance Cost		(326.35)	(293.38)	(139.52)	(881.31)	(797.06)					
Total Profit / (Loss) Before Exceptional Items		(684.28)	(1,239.27)	114.43	(512.99)	(1,111.09)					
Exceptional items - income/(expenditure) - unallocated/corporate		-	17,106.02	-	-	21,457.66					
Total Profit / (Loss) for the year		(684.28)	15,866.75	114.43	(512.99)	20,346.57					
3	Segment Assets										
	(a) Segment -Paper Mill Product	16,527.57	14,456.92	14,370.57	16,527.57	14,456.92					
	(b) Segment -Strip & Wire	498.15	615.52	536.50	498.15	615.52					
	(c) Segment -Others	715.08	781.48	592.41	715.08	781.48					
Total Segment Assets	17,740.80	15,853.92	15,499.48	17,740.80	15,853.92						
4	Segment Liabilities										
	(a) Segment -Paper Mill Product	3,463.62	2,770.06	2,472.32	3,463.62	2,770.06					
	(b) Segment -Strip & Wire	89.26	131.55	503.50	89.26	131.55					
	(c) Segment -Others	9,588.75	7,818.91	7,604.97	9,588.75	7,818.91					
Total Segment Liabilities	13,141.62	10,720.52	10,580.79	13,141.62	10,720.52						

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SHALIMAR WIRES INDUSTRIES LIMITED

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2019

Sl No	Particulars	Rs. in lacs		
		3 months ended (31/03/2019) Audited	3 months ended (31/03/2018) Audited	Year ended (31/03/2019) Audited
1	Total Income from Operations	3,196.80	2,772.02	11,534.55
2	Net Profit / (Loss) for the period (Before Tax, Exceptional and/or Extraordinary items)	(684.28)	(1,239.27)	(512.99)
3	Net Profit / (Loss) for the period before tax (after Exceptional and/or Extraordinary items)	(684.28)	15,866.75	(512.99)
4	Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items)	(684.28)	15,866.75	(512.99)
5	Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	(705.52)	15,909.49	(534.23)
6	Equity Share Capital	855.10	855.10	855.10
7	Earnings Per Share (of Rs. 2/- each) (for continuing and discontinued operations) -			
	Basic:	(1.60)	37.11	(1.20)
	Diluted:	(1.60)	37.11	(1.20)

Note:

The above is an extract of the detailed format of audited Financial Results of the Company for the Quarter and and year ended 31st March, 2019 filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the Quarterly Financial Results of the Company are available on the websites www.shalimarwires.com of the Company and Stock Exchange(s).

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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SHALIMAR WIRES INDUSTRIES LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019 and loss for the year, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independent requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules made there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a



whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholders Information, but does not include the Standalone Financial Statements and our Auditor's Report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

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

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters



related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and is considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



□ Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- i) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Sub-section (11) of Section 143 of the Act, we enclose in the **Annexure – A**, a statement on the matters specified in the said Order, to the extent applicable to the Company.
- ii) As required by Section 143(3) of the Act, based on our audit we report that
 - a) We have sought and, except for the matters described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.



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- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement Cash Flows dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of written representations received from the Directors as on 31st March, 2019 taken on record by the Board of Directors, none of the Director is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure – B**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with amended Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position, wherever ascertainable – Refer Note No. 32.
- ii) The Company did not have any long-term contracts including derivative contracts for which there was any material foreseeable loss.



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

For Khandelwal Ray & Co.

Chartered Accountant

FR No. 302035E



P. Sarkar

Partner

(Membership No. 051449)

Place:

Date: 27/05/2019



Annexure – A to the Independent Auditors’ Report

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

We report that:

(i)	<p>(a) Whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;</p> <p>(b) Whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;</p> <p>(c) Whether the title deeds of immovable properties are held in the name of the company. If not, provide the details thereof;</p>	<p>(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.</p> <p>(b) The fixed assets have been physically verified under a phased program of physical verification. To the best of our knowledge, no material discrepancies were noticed on such verification.</p> <p>(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company, subject to charges created in favour of the lenders of the Company.</p>
(ii)	<p>Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the books of account;</p>	<p>(ii) The Inventories have been physically verified by the management at reasonable intervals during the year and discrepancies noticed on such physical verification, which were not material, have been properly dealt with in the books of account.</p>
(iii)	<p>Whether the company has granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. If so,</p> <p>(a) whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest;</p> <p>(b) whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;</p> <p>(c) if the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest;</p>	<p>(iii) During the year the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.</p> <p>(a) Not applicable</p> <p>(b) Not applicable</p> <p>(c) Not applicable</p>
(iv)	<p>In respect of loans, investments, guarantees, and security whether provisions of section 185 and</p>	<p>(iv) The Company has not given any loan within the meaning of Section 185 of the Act. In our opinion and</p>



	186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof.	according to the information and explanations given to us, the company has complied with the provisions of Section 186 of the Act, with regard to investments made.												
(v)	In case the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, where applicable, have been complied with? if not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	(v) The Company has not accepted any deposit within the meaning of Section 73 of the Companies Act.												
(vi)	Where maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained.	(vi) The Central Government has specified maintenance of cost records under Section 148 (1) of the Companies Act, 2013 for Metal Wire Cloth manufactured by the Company. We have broadly reviewed such accounts and records and we are of the opinion that the accounts and records have been made and maintained by the Company. However, we have not made any detailed examination of such records in order to ascertain whether those are complete and accurate.												
(vii)	<p>(a) Whether the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated;</p> <p>(b) Where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute)</p>	<p>(vii) (a) According to the records, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Sales Tax, Custom Duty, other statutory dues with appropriate authorities.</p> <p>As explained to us, the Company does not have any dues in respect of Wealth Tax, Service Tax and Cess.</p> <p>(b)The disputed statutory dues aggregating to Rs 434.21 Lacs (inclusive of amounts not provided in financial statement) that have not been deposited on account of matters pending before appropriate authorities are as under:</p> <table border="1"> <thead> <tr> <th>Nature of dues</th> <th>Amount (Rs in Lacs)</th> <th>Year which it relates</th> <th>Forum</th> </tr> </thead> <tbody> <tr> <td>Vat & Penalty</td> <td>0.34</td> <td>1980-81</td> <td>The Additional Commissioner of Commercial Taxes, Kolkata</td> </tr> <tr> <td>Vat ,</td> <td>0.54</td> <td>1993-94,</td> <td>The Additional Commissioner</td> </tr> </tbody> </table>	Nature of dues	Amount (Rs in Lacs)	Year which it relates	Forum	Vat & Penalty	0.34	1980-81	The Additional Commissioner of Commercial Taxes, Kolkata	Vat ,	0.54	1993-94,	The Additional Commissioner
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Vat & Penalty	0.34	1980-81	The Additional Commissioner of Commercial Taxes, Kolkata											
Vat ,	0.54	1993-94,	The Additional Commissioner											



			of Commercial Taxes, Kolkata
Tax , Penalty & Interest	1.22	1988-89	The West Bengal Commercial Taxes Appellate & Revision Board, Kolkata
Tax & Penalty	31.92	2000-01 to 2006-07	The West Bengal Taxation Tribunal
Tax & Penalty	0.44	2011-12 2012-13	The West Bengal Commercial Taxes Appellate & Revision Board, Kolkata
CST , Interest & Penalty	178.95	1995-96 to 2012-13	The Sr.Joint Commissioner of Commercial Taxes
VAT Interest & Panealty	26.69	2014-15	The Sr.Joint Commissioner of Commercial Taxes
Central Excise Tax & Penalty	70.66	1992, 1994, 1996, 2003 2004	Commissioner (Appeals) Central Excise, Kolkata-IV
Central Excise Tax & Penalty	31.07	2006 2009 2010 2011 2012 2013	Commissioner (Appeals) Central Excise, Kolkata-IV
Central Excise Tax & Penalty	92.38	2014 to 2016	Commissioner (Appeals) Central Excise, Kolkata-IV



(vii)	Whether the company has defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders? If yes, the period and the amount of default to be reported (in case of defaults to banks, financial institutions, and Government, lender wise details to be provided).	(viii) The Company has made defaults in repayment of dues to Debenture Holders, which have been set out in Footnotes No (ii) of Note No 14 to Financial Statements.
(ix)	Whether moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;	(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. According to the information and explanations given to us, the Term Loan raised during the year had been applied for the purposes for which the same was raised.
(x)	Whether any fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated;	(x) Based upon the audit procedure performed and the information and explanation given by the Company, we report that no fraud on or by the Company has been noticed or reported during the year that causes the financial statements materially misstated.
(xi)	Whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same;	(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approval mandated by the provisions of Section 197 read with Schedule V of the Act.
(xii)	Whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability and whether the Nidhi Company is maintaining ten per cent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;	(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
(xiii)	Whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;	(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
(xiv)	Whether the company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. If not, provide the details in	(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.



	respect of the amount involved and nature of non-compliance;	
(xv)	Whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with;	(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
(xvi)	Whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.	(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For KHANDELWAL RAY & CO.,
Chartered Accountants
Firm Reg.No: 302035E

[Handwritten signature]

P.Sarkar
(Partner)
Membership No: 051449.

27/5/2019



For SHALIMAR WIRES INDUSTRIES LTD.

[Handwritten signature]
(S. J. SENGUPTA)
PRESIDENT & C.F.O.

Annexure - B to the Auditors' Report
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Shalimar Wires Industries Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the



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transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

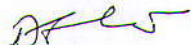
In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SHALIMAR WIRES INDUSTRIES LTD.


(S. J. SENGUPTA)
PRESIDENT & C.F.O.



For KHANDELWAL RAY & CO.
Chartered Accountants
FR No. 302035E



(P. Sarkar)
Partner

Membership No: 051449

27/5/2019