



Shalimar

Wires Industries Limited

19TH ANNUAL REPORT
2014-2015

Our beloved Founder Chairman



Sri S. N. Khaitan
(1922-1999)

He continues to guide us towards Excellence

***through Latest Technology, Customer
Satisfaction and Exports.***

He lives in the hearts of tomorrow.

Board of Directors

Chairman & Managing Director

SUNIL KHAITAN

Directors

MANASH CHAKRABORTY (Nominee Director representing ARCIL)

DIPAK RUDRA

DIPAK DASGUPTA

PROBIR ROY

SUNANDA LAHIRI

Executives

R.P. DHANUKA – Sr. President

D. KHAITAN – President

Paper Machine Wire Unit (Nashik)

S.J. SENGUPTA – Sr. Vice President & Chief Financial Officer

S.K. KEJRIWAL – Vice President

(Corporate Affairs) & Company Secretary

Solicitors

Khaitan & Co.

Jhunjhunwala & Co.

Chaubey & Co.

Statutory Auditor

S.S. Kothari & Co.

Bankers

State Bank of India

HDFC Bank Ltd.

Axis Bank Ltd.

Registered and Head Office

25, Ganesh Chandra Avenue

Kolkata- 700 013.

CIN : L74140WB1996PLC081521

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

website : www.shalimarwires.com

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DIRECTOR'S REPORT**To the Members**

Your Directors have pleasure in presenting the 19th Annual Report on the working of the Company together with the audited accounts for the year ended 31st March, 2015.

FINANCIAL RESULTS

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

	2014-15 (Rs. In lacs)	2013-14 (Rs. In lacs)
Revenue from Operations (Net)	9443.14	9062.96
Other Income	122.41	171.53
Total Revenue	<u>9565.55</u>	<u>9234.49</u>
Less : Total Expenses	<u>7968.42</u>	<u>8088.30</u>
Profit before Finance Cost and Depreciation	1597.13	1146.19
Less : Finance Cost	862.04	686.55
Depreciation and Amortization Expense	<u>598.82</u>	<u>688.30</u>
Profit before exceptional/extra-ordinary items	136.27	(228.66)
Add : Exceptional Items	2.18	465.37
Less : Extraordinary items	<u>68.65</u>	<u>—</u>
Profit before Tax	69.80	236.71
Add : Deferred Tax	—	—
Profit for the year from continuing operation	69.80	236.71
Profit/(Loss) from discontinuing operation	(108.41)	(88.88)
Profit for the year	<u>(38.61)</u>	<u>147.83</u>

OPERATIONAL REVIEW

During the year under review, the total revenue of the company was Rs.9443.14 lacs as compared to Rs. 9062.96 lacs in the previous year. The operating surplus (profit before finance cost and depreciation) of the Company was Rs. 1597.13 lacs as compared to Rs.1149.19 lacs in the previous year. The Company has accounted for exceptional income of Rs. 2.18 lacs and extraordinary items of Rs. 68.65 lacs during the current year. The Company has incurred loss of Rs. 108.41 lacs for its discontinuing operation as against Rs. 88.88 lacs in the previous year. The net loss during the year was Rs. 38.61 lacs as compared to profit of Rs. 147.83 lacs in the previous year.

DIVIDEND

Due to loss, your Directors are unable to recommend payment of any dividend on Equity Shares for the year under review.

EXPORT

The Company's export turnover was Rs. 2093.41 lacs during the year under review, as compared to Rs. 2444.90 lacs in the previous year.

DIRECTORS' RESPONSIBILITY STATEMENT

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

Your Directors confirm that:

- i) In the preparation of the annual accounts, the applicable accounting standards had been followed and no material departures have been made from the same, save and except as mentioned in the Auditor's Report.
- ii) They have adopted 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 or loss of the Company for that period;
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company, for preventing and detecting fraud and other irregularities;
- iv) The annual accounts have been prepared on a going concern basis.
- v) That there is adequate proper internal financial controls with reference to the financial statement have been laid down for the company and such internal financial controls are adequate and were operating effectively.
- vi) That proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

AUDITORS' REPORT

The comments made by the Auditors in their report and other relevant points in Annexure to their report are self-explanatory. The relevant notes to the accounts also clarify the points referred to by the Auditors. The Auditors have drawn attention of the members in qualified opinion of their report as under :

1. Point no. (a) regarding non-provision of long term and short term loans and advances, which has not been provided because your Company is hopeful of some recovery out of it and if necessary, in consultation with the Auditors, necessary provision will be made in coming years.
2. Point no. (b) regarding the claims receivable from Octroi Department in respect of the closed Nasik unit, your Company is hopeful of either receiving the claims or will be adjusting the claims with the dues of Octroi dept., if any, payable at the time of sale of the closed Nasik unit.
3. Point no. (c) is related party transaction and has not been written off.
4. Regarding Point no. (d) , your Company is negotiating with Industrial Development Bank of India for settlement of their dues which is under process.
5. Regarding Point no. (e), your Company has not made the provision of contingent liabilities since quantum of liability can not be ascertained pending settlement/disposal of appeals and the Company is hopeful of getting favourable orders from the appellate authorities in respect of such appeals.

TRANSFER TO INVESTORS' EDUCATION AND PROTECTION FUND

In terms of sections 205A and 205C of the Companies Act, 1956 read with General Circular No. 22/2002 dated 23rd September, 2002 issued by the Department of Company Affairs, the Company could not deposit unclaimed and unpaid redemption amount of debentures and accrued interest thereon to Investors' Education and Protection Fund (presently section 125 of the Companies Act, 2013) and had filed necessary application with the BIFR seeking relief u/s 22(3) of SICA and also their approval to make the payment to public debenture holders as and when debentures certificates are surrendered to the Company. The BIFR has approved the same in terms of the Rehabilitation Scheme sanctioned by them vide order dated 10th June, 2010. The Company is making payment to the debenture holders under public category as and when the debenture certificates are surrendered with the company.

REHABILITATION SCHEME

As you are aware, the Rehabilitation Scheme of the Company, under the provisions of the Sick Industrial

Companies (Special Provisions) Act, 1985, was sanctioned by Hon'ble Board of Industrial & Financial Reconstruction vide its order dated June 10, 2010. The Scheme envisaged comprehensive financial restructuring of the company which is still under implementation. The Company has also filed a modified Debt Rehabilitation Scheme (MDRS) in consultation with the secured lenders of the Company which is yet to be approved by BIFR.

DEPOSITS

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

CORPORATE GOVERNANCE REPORT

Your Directors reaffirm their continued commitment to good corporate governance practices. During the year under review, your Company was in compliance with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges relating to corporate governance and as required by Clause 49 of the Listing Agreement, Management Discussion & Analysis and Corporate Governance Report are annexed as **Annexure-I** to the Directors' Report and forms part of this report. A certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance as stipulated in the Clause 49 of the Listing Agreement is also attached to this report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

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

ESTABLISHMENT OF VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a vigil mechanism/whistle blower policy. The policy allows intimation by affected persons in good faith of concern or misconduct through a written communication. The Audit Committee oversees the vigil mechanism for disposal of the complaint. Direct access to the Chairman of the Audit Committee is also allowed in exceptional cases. The vigil mechanism/whistle blower policy is available on the Company's website (www.shalimarwires.com)

RISK MANAGEMENT

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

DISCLOSURE OF PARTICULARS WITH REGARD TO CONSERVATION OF ENERGY ETC.

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

ENVIRONMENT AND SAFETY

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

INSURANCE

Adequate insurance cover has been taken for properties of the Company including buildings, plant and machineries and stocks against fire, earthquake and other risks as considered necessary.

DIRECTORS

In terms of the provisions of the companies Act, 2013 the Board appointed all the existing independent directors i.e. Mr Dipak Rudra, IAS (Retd.), Mr Probir Roy and Mr Dipak Dasgupta, for a term of 5 years upto the conclusion of Annual General Meeting to be held in the year 2019. The shareholders at the Annual General Meeting held on 29th September, 2014 had approved their appointment. The independent directors have submitted the declaration of independence as required under Section 149 of the Companies Act, 2013 and the Board is of the opinion that they are independent within the meaning of the said requirement of the Act.

As per provisions of Section 152 of the Companies Act, 2013, Mr. Sunil Khaitan (DIN 00385961) retire by rotation and being eligible offer himself for reappointment. The Board recommends his reappointment.

The Board appointed Ms Sunanda Lahiri (DIN 00451473) as Additional Director on 7th February, 2015 who shall hold office up to the date of the ensuing Annual General Meeting. The company has received a notice as per the provisions of section 160(1) of the Companies Act, 2013 from a member proposing her appointment as a director. Based on her vast experience in banking sector, the Board recommended the appointment of Ms. Sunanda Lahiri as an Independent Director who shall hold office for five consecutive years until the conclusion of Annual General Meeting to be held in the year 2020.

The resolution has been included in the Agenda of the ensuing Annual General Meeting. Approval of the members is sought for the said appointment.

STATUTORY AUDITORS

The auditors M/s. S.S. Kothari & Co., Chartered Accountants, Statutory Auditors of the company were reappointed as Auditors in the Annual General Meeting held on 29th September, 2014 for the period until the conclusion of the 21st Annual General Meeting of the Company at a remuneration to be fixed by the Board from time to time.

Further, the said Auditors are eligible under Section 141(3) of the Companies Act, 2013 and their appointment is to be ratified by the members in the ensuing Annual General Meeting which we recommend.

COST AUDITORS

The Audit Committee in its meeting held on 27.5.2015 has recommended the reappointment of M/s. Mitra Bose & Associates, the Cost Auditor to conduct the cost audit of the company for the financial year 2015-16 in terms of section 148(3) of the Companies Act, 2013. Accordingly the Board appointed the said firm of Cost Accountants to carry out the cost audit for the year 2015-16 on the remuneration as recommended by the Board to be fixed by members in the ensuing Annual General Meeting of the Company

INTERNAL AUDIT

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

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company has appointed Messrs MR & Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the company. The report of the Secretarial Audit is annexed herewith as **Annexure - III**.

OTHER DISCLOSURES**EXTRACT OF ANNUAL RETURN**

The details for the financial year ended 31st March, 2015 forming part of the extract of the annual return is enclosed as **Annexure - IV**.

CHANGE IN SHARE CAPITAL

During the year ended 31st March, 2015, there is no change in the issued and subscribed capital of your company. The outstanding equity share capital of the company as on 31st March, 2015 is 752.10 lacs comprising of 37605123 equity shares of Rs. 2/- each.

NUMBER OF BOARD MEETINGS

The Board of Directors met four times during the year ended 31st March, 2015. The details of the Board meetings and the attendance of Directors are provided in the Corporate Governance Report.

COMPOSITION OF COMMITTEE OF DIRECTORS

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

RELATED PARTY TRANSACTIONS

All the related party transactions are entered on arm's length basis and are in compliance with the Companies Act, 2013 and the Listing Agreement. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc, which may have potential conflict with the interest of the Company at large. All related party transactions are presented to the Audit Committee and the Board for its approval. The related party transactions policy as approved by the Board is uploaded as on Company's website "www.shalimarwires.com". The details of the transactions with related party is given in the Annual Report.

EVALUATION OF BOARD'S PERFORMANCE

In compliance with the Companies Act, 2013 and Clause 49 of the Listing Agreement, the performance evaluation of the Board was carried out during the year under review. More details on the same is given in the Corporate Governance Report.

BUSINESS RESPONSIBILITY REPORT (BR)

In terms of new clause 55 of the Listing Agreement, listed entities shall submit as part of their Annual Reports, Business Responsibility Reports, describing the initiatives taken by them from an environmental, social and Governance perspective. Accordingly, BR Report on environment, human resources and principle wise performance form part of the management discussion and analysis report

PARTICULARS OF EMPLOYEES

The prescribed particulars of employees required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure - V** to this report.

INDUSTRIAL RELATIONS

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

ACKNOWLEDGEMENT

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

Registered Office:
25, Ganesh Chandra Avenue
Kolkata – 700 013
The 10th August, 2015

For and on behalf of the Board

Sunil Khaitan
Chairman & Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS**INDUSTRY STRUCTURE AND DEVELOPMENTS****Paper Machine Clothings (PMC)**

PMC Industries are solely dependent on the Paper making activities. Paper making industries are growing on a verge of 7% p.s. for the last 7 years. Our per-capita paper consumption is only 7.0 Kgs as against world's average of 56.0 Kgs., indicating great potentiality for growth at home. Besides, the real growth in Paper making activity is taking place in Asian region while the other part of the world has already come to a saturating stage. Therefore, being stationed in the developing region and with sufficient knowledge about paper making condition of Asian sub-continent, we see a great future in export potentiality for PMC products. We are also in the process of developing new PMC products to fetch more business from export market.

EDM Wires

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

OPPORTUNITIES AND THREATS**Paper Machine Clothings (PMC)**

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

EDM WIRES

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

OUTLOOK

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

- Maintain high Quality Standards consistently.
- Create wide based product range to cater to export market.
- Modernize after-sales service.
- Improve efficiency at all states from procurement to disposal.
- Upgrading the Old machinery.
- Develop new design of fabric.

RISKS AND CONCERNS

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

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

INTERNAL CONTROL SYSTEM

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

HUMAN RESOURCES

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

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

The total Number of Employees employed in the Company as on 31st March, 2015 was 573.

INFORMATION TECHNOLOGY

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

HEALTH, SAFETY, SECURITY AND ENVIRONMENT

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

CAUTIONARY STATEMENT

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

CORPORATE GOVERNANCE REPORT

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

- The Company's philosophy of Corporate Governance is to ensure transparency in all dealings and maintain highest standards of professionalism, integrity, accountability, social responsibility, fairness and business ethics. We consider ourselves as Trustees of our shareholders and relentlessly attempt to maximize long term shareholder value.
- The Company confirm the practice of good Corporate Governance codes by the Company in true spirit and are pleased to present below the Report on Corporate Governance.

2. Board of Directors

As on March 31,2015, the Company has 6 (six) Directors. Out of the six Directors, one is Promoter and Executive Director (Chairman and Managing Director), one is Nominee Director and four are Non-Executive and Independent Directors. Ms. Sunanda Lahiri is Non-Executive Independent Woman Director. The composition of the Board is in conformity with clause 49 of the listing Agreement entered into with the stock Exchanges.

During the financial year ended 31st March, 2015, 4 (four) Board Meetings were held on 19.05.2014, 05.08.2014, 12.11.2014 and 07.02.2015.

The composition of Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting as also number of other directorships and Committee Memberships are given below:

Name of Director	Category	No. of Board Meetings Attended during the year	Whether last AGM attended	No. of other Directorship *1	No. of other Committee membership/ Chairmanship *2
Mr.Sunil Khaitan, (DIN-00385961) Chairman & Mg. Director	Promoter and Executive	4	Yes	NIL	NIL
Mr. Manash Chakraborty (DIN-05293875)	Nominee of ARCIL	4	No	NIL	NIL
Mr. Probir Roy (DIN-00033045)	Non-executive Independent	4	No	4	1
Mr. Dipak Rudra, IAS(Retd) (DIN-00240145)	Non-executive Independent	4	Yes	6	2
Mr.Dipak Dasgupta (DIN-01099414)	Non-executive Independent	4	Yes	1	NIL
Ms. Sunanda Lahiri *3 (DIN-00451473)	Non-executive Independent	1	NA	5	NIL
Mrs. Devjani Mandal *4 (DIN-06674295)	Nominee Director	NA	NA	NIL	NIL

*1 Excludes Directorship held in Private Limited Companies, Foreign Companies.

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

*3 Appointed as an additional director w.e.f. 7th February, 2015.

*4 Nomination of Mrs.Devjani Mandal was withdrawn by IDBI Bank Ltd. with effect from 7th May, 2014.

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

Directors' Profile

A brief resume of Directors, nature of their expertise in specific functional areas and names of companies in which they hold Directorships, Memberships/ Chairmanships of Board Committees, and shareholding in the Company are provided in this Report.

Familiarisation programme for independent directors

As per Clause 49 of the Listing Agreement the Company has entered into with the Stock Exchanges, a familiarization programme has been formulated by the Company to familiarise the Independent Directors about their role, rights, responsibility in the Company, nature of industry in which the Company operates, business model of the Company etc. through various programme. The details of such familiarization programme has also been uploaded on the Company's website under the web link: www.shalimarwires.com.

Other provisions

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

Code of Conduct for Directors & Senior Management

The Board had framed code of conduct for all the Board members and senior management personnel of the Company focusing transparency, accountability & ethical expression in all acts and deeds. The Code of Conduct is posted on the website of the Company.

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

3. COMMITTEES OF THE BOARD

The Board has currently the following Committees:

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

A. Audit Committee

The roles, terms of reference & composition of the Committee are in conformity with the provisions of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges. The Committee acts as a link between the Statutory & Internal Auditors and the Board of Directors.

Brief description of Terms of Reference

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

Composition of Audit Committee

The present composition of the Audit Committee comprises of three members, out of which two are independent directors and one is nominee director. During the financial year ended 31st March, 2015, 4 (four) meetings of the Audit Committee were held on 19.05.2014, 05.08.2014, 12.11.2014 and 07.02.2015.

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

Sl. No	Name	Designation	Category	No. of meetings attended
1	Mr. Dipak Rudra	Chairman	Independent Director	4
2	Mr. Manash Chakraborty	Member	Nominee Director	4
3	Mr. Dipak Dasgupta	Member	Independent Director	4
4	Mrs. Devjani Mandal*	Member	Nominee Director	N.A.

*Nomination of Mrs. Devjani Mandal was withdrawn by IDBI Bank Ltd. with effect from 7th May, 2014.

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

The Company Secretary acts as the Secretary of the Committee.

The Chairman of the Audit Committee Mr. Dipak Rudra attended the last Annual General Meeting held on 29th September, 2014.

B) Nomination and Remuneration Committee

In accordance with the provisions Section 178 of the Companies Act, 2013 and as specified under clause 49 of the listing agreement. The terms of reference of nomination and remuneration committee includes the following:

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

Composition of the Committee

The Nomination and Remuneration Committee comprises of three directors, consisting of two independent directors and one nominee director. The Composition of Nomination and Remuneration Committee is pursuant to the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

During the financial year ended 31st March, 2015, (two) meetings of the Nomination and Remuneration Committee was held on 19.05.2014 and 05.08.2014 and the necessary quorum was present for all the meetings. The Chairman of the Nomination and Remuneration Committee was also present at the

last Annual General Meeting of the Company. The detail of meeting attended by the Members are as follows:

Sl. No	Name	Designation	Category	No. of meetings attended
1	Mr. Dipak Rudra	Chairman	Independent Director	2
2	Mr. Manash Chakraborty	Member	Nominee Director	2
3	Mr. Dipak Dasgupta	Member	Independent Director	1
4	Mrs. Devjani Mandal *	Member	Nominee Director	N.A.

*Nomination of Mrs. Devjani Mandal was withdrawn by IDBI Bank Ltd. with effect from 7th May, 2014.

Remuneration Policy

- Remuneration to Executive and Non-Executive Directors**

Mr. Sunil Khaitan is only whole time Director who is the Chairman & Managing Director of the company and is paid remuneration in terms of the agreement executed between him and the company. The current tenure of Chairman & Managing Director is for a period of three years with effect from 1st April, 2014 which can be further extended by re-appointing him, subject to the approval by Members in the General Meeting. The remuneration paid to Mr. Sunil Khaitan is within the limit as prescribed under Part-II of Section-IIA of Schedule-V of the Companies Act, 2013. The Non-Executive Directors are paid sitting fees as approved by the Board/Committee meetings besides reimbursement of actual traveling and out of pocket expenses. Presently, the Company does not have any scheme for grant of stock options either to the directors or employees of the company.

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

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

c) Remuneration to Directors

The details of remuneration paid/payable to the Directors during the year ended on 31.03.2015 are given below:

Name	Salary (Rs.)	Perquisites & Allowances (Rs.)	Sitting fee (Rs.)	Total (Rs.)	Service Contract if any
Mr.Sunil Khaitan (Chairman & Mg. Director)	22,20,000	23,38,452 #	-	45,58,452	Yes
Mr. Manash Chakraborty (Nominee Director)	-	-	82,000	82,000	Nominee
Mr. Probir Roy	-	-	32,000	32,000	No
Mr. Dipak Rudra	-	-	82,000	82,000	No
Mr. Dipak Dasgupta	-	-	77,000	77,000	No
Ms. Sunanda Lahiri *	-	-	8,000	8,000	No
Mrs. Devjani Mandal **	-	-	NIL	NIL	Nominee
Total	22,20,000	23,38,452	2,81,000	48,39,452	

Perquisites includes contribution to Provident Fund amounting to Rs.2,61,400/- and Bonus for the financial year 2013-14 of Rs.4,44,000/-.

* Appointed as an additional director w.e.f. 7th February, 2015.

** Nomination of Ms. Devjani Mandal was withdrawn by IDBI Bank Ltd. w.e.f. 7th May, 2014.

Performance Evaluation:

Pursuant to the provision of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Board Committees. The performance evaluation of the Chairman and the Managing

Director and the Non- Independent Directors was carried out by the Independent Director.

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

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

The Stakeholders Relationship Committee comprises of three directors, consisting of two independent directors and one nominee director. During the financial year ended 31st March, 2015, four meetings of the said Committee were held on 19.05.2014, 05.08.2014, 12.11.2014 and 07.02.2015 and the necessary quorum was present for all the meetings.

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

SI. No	Name	Designation	Category	No. of meetings attended
1	Mr. Dipak Rudra	Chairman	Independent Director	4
2	Mr. Manash Chakraborty	Member	Nominee Director	4
3	Mr. Dipak Dasgupta	Member	Independent Director	4
4	Mrs. Devjani Mandal *	Member	Nominee Director	N.A.

*Nomination of Mrs. Devjani Mandal was withdrawn by IDBI Bank Ltd. with effect from 7th May, 2014.

b) Terms of Reference

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

- i) Ensure redressal of Shareholders and Investors complaints relating to transfer of shares, Non-receipt of balance sheet etc.
- ii) Redressal of Investors complaints in respect of non-receipt of interest/redemption proceeds against the non-convertible debenture.
- iii) To oversee the performance of Maheshwari Datamatics Pvt. Ltd., the Registrar and Share Transfer Agent.
- iv) To delegate the powers of approving transfer of shares/debentures to the Company's Registrar under the supervision and control of the Company Secretary, subject to placing of the summary statement of transfer/ transmission etc. of shares/debentures of the company at the committee meeting.
- v) To implement and monitor the various requirement as set out in the Code of Conduct for provision of insider trading pursuant to the provisions of the SEBI (prohibition of Insider Trading Regulations, 1992.)

As per SEBI guidelines, the powers of processing of the share transfers, both physical and demat mode have been delegated to M/s. Maheshwari Datamatics Pvt. Ltd. in order to expedite the process of share transfers, issue of duplicate certificates and certificates after split/consolidation/ renewal and rematerialisation. Mr. S.K. Kejriwal, Company Secretary has been appointed as the compliance officer for complying with the requirement of SEBI and the listing agreement.

The Company confirms that there were no share transfers lying pending as on 31.03.2015 and all requests for dematerialisation and re-materialisation of shares as on that date were confirmed/

rejected into the NSDL/CDSL system. Details of shareholders' complaints received and resolved during the period April, 2014 to March, 2015 :-

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

OTHER COMMITTEES

A) Corporate Social Responsibility Committee

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

The Company formulated CSR Policy, which is uploaded on the website of the Company (Web link: http://www.shalimarwires.com/code_of_conduct.php)

Composition

Sl. No	Name	Designation	Category
1	Mr. Sunil Khaitan	Chairman	Chairman and Managing Director
2	Mr. Manash Chakraborty	Member	Nominee Director
3	Mr. Dipak Rudra	Member	Independent Director
4	Mr. Probir Roy	Member	Independent Director
5	Mr. Dipak Dasgupta	Member	Independent Director

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

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

B) Risk Management Committee

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

Composition of the Committee

Sl. No	Name	Designation	Category
1	Mr. Sunil Khaitan	Chairman	Chairman and Managing Director
2	Mr. Dipak Rudra	Member	Independent Director
3	Mr. Dipak Dasgupta	Member	Independent Director
4	Mr. R.P. Dhanuka	Member	Sr. President
5	Mr. S.J. Sengupta	Member	Sr. VP & CFO
6	Mr. S.K. Kejriwal	Member	Company Secretary

Role and Responsibilities of the Committee includes the following:

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

4. General Body Meetings

The last three Annual General Meeting were held as under :

Financial Year	Date and Time	Venue	No. of Special
2013- 2014	29th September, 2014 10.00 A.M.	Science City Mini Auditorium. Kolkata	<ul style="list-style-type: none"> • Alteration of Articles of Association u/s.14 of the Companies Act, 2013. • Reappointment of Managing Director u/s 196, 197, 203 of the Companies Act, 2013. • Increasing in borrowing limit u/s. 180(1)(c) of the Companies Act, 2013.
2012-2013	23rd September, 2013 10.00 A.M.	Science City Mini Auditorium. Kolkata	None
2011-2012	28th September, 2012 10.00 A.M.	Science City Mini Auditorium. Kolkata	Appointment of Mr. Vedant Khaitan to hold an office or place of profit u/s. 314 of the Companies Act, 1956

In the last AGM held on 29.09.2014 no resolution was passed through Postal Ballot.

There is no proposal for passing any resolution through Postal Ballot in the ensuing AGM.

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

Related Party transactions have been disclosed under Note No. 34 to the accounts for year under review and it is not conflict with the interest of the Company.

As required under clause 49 of the Listing Agreement, the Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the Company's website www.shalimarwires.com.

ii) Accounting Treatment:

In the preparation of the financial statement, 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 have been set out in the Notes to the Financial Statements.

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

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement with the Stock Exchanges as well as regulations and guidelines of SEBI, wherever applicable. No penalties or stricture have been imposed by SEBI, Stock Exchanges or any Statutory

Authorities on matters related to Capital Markets during the last three years except two cases of Bombay Stock Exchange for late submission of Shareholding pattern by one day and quarterly compliance on Corporate Governance by two days.

iv) Vigil Mechanism/ Whistle Blower Policy:

Pursuant to Section 177(9) of the Companies Act, 2013 and Clause 49 of the Listing Agreement the Company has framed a Vigil Mechanism /Whistle Blower Policy and the same has also been placed in the website of the Company. None of the employees has been denied access to the Audit Committee.

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

The Company has complied with all the applicable mandatory requirements. Adoption of non-mandatory requirements of Clause 49 of Listing Agreement is being reviewed by the Board from time to time.

6. Prevention of Insider Trading:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre- clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the Designated employees while in possession of unpublished price sensitive information in relation to the Company and during the when the Trading Window is closed. The Company Secretary is responsible for implementation of the Code. The Policy is available on the Company's website www.shalimarwires.com.

7. Policy against Sexual Harrassment:

The Company is committed to foster a gender friendly work place, it seeks to enhance equal opportunities for men and women, prevent/stop/redress sexual harrassment at the work place and institute good employment practices.

8. CEO & CFO Certification

Mr. Sunil Khaitan, Chairman and Managing Director and Mr. S.J. Sengupta, Sr. V.P. and CFO have provided annual certification on the financial statements to the Board as required under clause 49 of the listing agreement.

9. Means of Communication

- (i) The quarterly unaudited financial results and the audited financial results as approved and taken on record by the Board of Directors of the company are published during the year under review in leading national newspapers viz Financial Express (all edition) and a local language newspaper viz. and also sent immediately to all the Stock Exchanges with which the shares of the Company are listed. The annual reports are sent to every shareholder of the Company.
- (ii) The Company's financial results are displayed on the Company's website www.shalimarwires.com.
- (iii) The Company has a separate e-mail Id secretarial@shalimarwires.com for investors to intimate their grievances, if any.

10. General Shareholders Information:

a)	Annual General Meeting	
	Date	30th September, 2015
	Time	10.00 A.M.
	Venue	Science City Mini Auditorium, J.B.S. Haldane Avenue, Kolkata-700 046
b)	Financial Calender (tentative) for the year 2015 – 2016	1st Quarterly results On 10th August, 2015

		2nd Quarterly results On or before 14th Nov, 2015																																							
		3rd Quarterly results On or before 14th Feb, 2016																																							
		4th Quarterly results On or before 15th May, 2016																																							
c)	Book Closure Date	25th September, 2015 to 30th September, 2015 (both days inclusive)																																							
d)	Listing of Equity shares on Stock Exchanges	<p>The Company's shares are listed on the Stock Exchanges at:-</p> <ul style="list-style-type: none"> • Calcutta Stock Exchange (Stock Code 100294) • Bombay Stock exchange (Stock Code 532455) <p>The listing fees for the period 2015-2016 have been paid to both the Stock Exchanges.</p> <p>Demat ISIN Number in NSDL and CDSL: INE 655 D 01025</p>																																							
f)	Market Price Data	<p>The market price data (Monthly High/Low) of the company's Equity Shares traded on The Stock Exchange, Mumbai during the period April 2014 to March 2015 is given below. There was no trading in Calcutta stock exchange.</p> <p>BOMBAY STOCK EXCHANGE LTD.</p> <table border="1"> <thead> <tr> <th>Month</th> <th>High</th> <th>Low</th> </tr> </thead> <tbody> <tr> <td>April, 14</td> <td>4.25</td> <td>3.15</td> </tr> <tr> <td>May, 14</td> <td>4.20</td> <td>2.80</td> </tr> <tr> <td>June, 14</td> <td>7.31</td> <td>3.90</td> </tr> <tr> <td>July, 14</td> <td>8.40</td> <td>6.18</td> </tr> <tr> <td>Aug, 14</td> <td>6.10</td> <td>5.02</td> </tr> <tr> <td>Sept, 14</td> <td>6.39</td> <td>5.01</td> </tr> <tr> <td>Oct, 14</td> <td>5.23</td> <td>3.87</td> </tr> <tr> <td>Nov, 14</td> <td>5.23</td> <td>4.22</td> </tr> <tr> <td>Dec, 14</td> <td>5.24</td> <td>4.55</td> </tr> <tr> <td>Jan, 15</td> <td>5.46</td> <td>4.05</td> </tr> <tr> <td>Feb, 15</td> <td>4.70</td> <td>4.04</td> </tr> <tr> <td>Mar, 15</td> <td>4.80</td> <td>3.43</td> </tr> </tbody> </table>	Month	High	Low	April, 14	4.25	3.15	May, 14	4.20	2.80	June, 14	7.31	3.90	July, 14	8.40	6.18	Aug, 14	6.10	5.02	Sept, 14	6.39	5.01	Oct, 14	5.23	3.87	Nov, 14	5.23	4.22	Dec, 14	5.24	4.55	Jan, 15	5.46	4.05	Feb, 15	4.70	4.04	Mar, 15	4.80	3.43
Month	High	Low																																							
April, 14	4.25	3.15																																							
May, 14	4.20	2.80																																							
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Jan, 15	5.46	4.05																																							
Feb, 15	4.70	4.04																																							
Mar, 15	4.80	3.43																																							
g)	Registrar and Share Transfer Agent	<p>Maheshwari Datamatics Pvt.Ltd. 6, Mangoe Lane, 2nd Floor Kolkata – 700 001</p>																																							
h)	Share Transfer System	<p>The Company's shares are in compulsory demat mode. The share received for transfer in physical mode are generally registered within a period of 15 days from the date of receipt, if the documents are clear in all respect. Shares under objection are returned within two weeks. Stakeholders Relationship Committee considers & approves the transfer proposals.</p>																																							
i)	Distribution of shareholding & shareholding Pattern.	As attached and forms a part of annual report																																							

SHALIMAR WIRES INDUSTRIES LIMITED

j)	Dematerialisation of shares	The shares of the Company are compulsorily traded in dematerialized form under depository system of both the National Securities Depository Ltd.(NSDL) and the Central Depository Services (India) Ltd. (CDSL). Company's Electronic Connectivity Registrar is Maheshwari Datamatics Pvt.Ltd., 6, Mangoe Lane, Kolkata – 700 001. As on 31st March, 2015, 98.58 % of the paid up share capital of the Company representing 37071333 Nos. of equity shares held in demat form with NSDL and CDSL.
k)	Corporate Identity Number (CIN)	L74140WB1996PLC081521
l)	Factory location	The Company's factories are located at the following places :- 1. 77,Netaji Subhas Road, Uttarpara, Dist.Hooghly,W.B. 2. Paper Machine Wire Unit 73, Industrial Estate, Satpur, Nashik – 422 007
m)	Address for correspondence	With the Company: Share Department 25, Ganesh Chandra Avenue, 2nd Floor, Kolkata – 700 013 Tel.Nos : (033) 2234-9308/09/10 Fax No. : (033) 2211-6880 E-mail : secretarial@shalimarwires.com Website : http://www.shalimarwires.com With the Registrar: Maheshwari Datamatics Pvt.Ltd. 6, Mangoe Lane, 2nd Floor Kolkata – 700 001 Tel.Nos: (033) 2243-5029/5809, (033) 2248-2248 Fax : (033) 2248 5787 E-mail : mdpl@cal.vsnl.net.in

DECLARATION INDER CLAUSE 49

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board members and the senior management personnel have affirmed compliance with the Code of Conduct of the Company for the year ended 31st March, 2015.

Place : Kolkata
Dated : 10th August, 2015

Sunil Khaitan
Chairman & Managing Director

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF **SHALIMAR WIRES INDUSTRIES LIMITED**

We have examined the compliance of conditions of corporate governance by Shalimar Wires Industries Limited ("the Company") for the year ended 31st March, 2015, as stipulated in Clause 49 of the Listing Agreements entered into with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the 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 the representation made by the Directors and the management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreements.

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

For **S.S.KOTHARI & CO.**
Chartered Accountants
(Firm Regn. No. 302034E)

CA P.K. Bhattacharya
Partner
Membership No. 015899

21, Old Court House Street
Kolkata – 700 001
10th August, 2015

ANNEXURE - II

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

A. Conservation of Energy

(i)	The steps taken or impact on Conservation of Energy	<ol style="list-style-type: none"> 1. We have installed APFC panel to increase Power factor. Our power factor increase 0.90 to 0.95. Due to increasing power factor we are getting rebate from CESC. That is reflected in CESC power Bill. 2. We have proposed to introduce Energy monitoring with real time software system .
(ii)	The steps taken by the Company for utilizing alternate sources of energy	Nil
(iii)	The capital investment on energy conservation equipments	Rs 4.62 lacs.

B. Technology Absorption

(i)	The efforts made towards technology absorption	<ol style="list-style-type: none"> a) Synthetic <ol style="list-style-type: none"> i) WISS & Long Float are two new designs developed and sent to market for better life of fabric as well as for better quality of paper. ii) 2 New high speed looms have been installed to increase the productivity. iii) Woven Dryer Screen developed for high speed machines. iv) 2 Nos. of new spiral machines installed in our Link Canvas Dept. to increase productivity.
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution	<ol style="list-style-type: none"> i) With the development of above two designs, we have been able to increase product life of highly abrasive machines and increase the scope of supply to different kind of paper machines, which ultimately leads to increase in business. ii) After introducing two modern high-speed looms in synthetic weaving, the productivity & quality of fabric produced will improve simultaneously. iii) We have started manufacturing different grades of woven dryer fabrics thereby we are catering into this segment of market, which has got growing demand considering the fact of technological up-gradation of paper making process. It has been added in our produce range to cater the segment thereby increasing the business and turn-over of the company. iv) After introducing two numbers of new spiral machines, we are able to increase our productivity.

(iii)	<p>In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-</p> <p>a) the details of technology imported</p> <p>b) the year of import</p> <p>c) whether the technology been fully absorbed</p> <p>d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof and</p>	Nil
(iv)	the expenditure incurred on research and development	Rs 6.73 lacs

C. Foreign exchange earnings and outgo :

- (i) Foreign exchange earned in terms of actual inflow : Rs 2093.41 lacs
- (ii) Foreign exchange outgo in terms of actual outflow :Rs 2859.48 lacs.

MR & Associates

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

Form No. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

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

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - iii. 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;
- I further report that, there were no actions/ events in pursuance of ;
- a. 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;
 - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - c. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

- d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (v) Other laws applicable to the Company as per the representations made by the Company

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
(Not notified during the period under Audit)
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited and Calcutta Stock Exchange.

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

- (a) As per Clause 35(b) of Listing Agreement, the Company has intimated the Stock Exchanges regarding shareholding pattern for December quarter beyond one day from the days specified.
- (b) As per Clause 49 of Listing Agreement, the Company has intimated the Stock Exchanges regarding Compliance Report on Corporate Governance for September and December quarter beyond two days from the days specified.

We further report that

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

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

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

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

We further report that during the audit period the Company has:

- (a) passed special resolution in the meeting of its shareholders held on 29th September, 2014 under section 14 of the Companies Act 2013 for alteration of clause 127 and 160(d) of the existing Articles of Association of the Company.
- (b) passed special resolution in the meeting of its shareholders held on 29th September, 2014 under section 180(1)(c) to increase the borrowing limit up to an amount not exceeding Rs. 300 Crores.

For **MR & Associates**
Company Secretaries

[M R Goenka]
Partner

Place : Kolkata
Date : 10th August, 2015

FCS No.:4515
C P No.:2551

“ANNEXURE – A”

(TO THE SECRETARIAL AUDIT REPORT OF SHALIMAR WIRES INDUSTRIES LIMITED
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015)

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

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

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the Audit practices and processes as where appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibilities of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **MR & Associates**
Company Secretaries

[M R Goenka]
Partner

FCS No.:4515
C P No.:2551

Place : Kolkata
Date : 10th August, 2015

FORM NO. MGT-9**ANNEXURE - IV**

Extract of annual return as on the financial year ended on 31st March, 2015

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

I. REGISTRATION AND OTHER DETAILS :

i)	CIN	L74140WB1996PLC081521
ii)	Registration Date	13th September, 1996
iii)	Name of the Company	SHALIMAR WIRES INDUSTRIES LIMITED
iv)	Category/Sub-Category of the Company	Public Limited Company
v)	Address of the Registered office and contact details	25, Ganesh Chandra Avenue, 2nd Floor, Kolkata-700013
vi)	Whether listed company or not	YES
vii)	Name, Address and contact details of Registrar and Transfer Agent, if any	Maheshwari Datamatics Private Limited 6, Mangoe Lane, (2nd Floor), Kolkata - 700 001 Phone : 033-2243 5029/5809; Fax : 033-2248 4787 E-mail : mdpl@cal.vsnl.net.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No	Name and Description of main products/services	NIC Code of the Product/ service	% to total turnover of the company
1.	Synthetic Farming Fabric	3548	72%
2.	Metal Fourdrinier Wire Cloth	3313	16%
3.	EDM Wire	3333	10%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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

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

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2014]				No. of Shares held at the beginning of the year[As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	12695969	200	12696169	33.7618	12696169	0	12696169	33.7618	0.0000
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	15127813	0	15127813	40.2281	15127813	0	15127813	40.2281	0.0000
e) Banks / FI									

SHALIMAR WIRES INDUSTRIES LIMITED

Category of Shareholders		No. of Shares held at the beginning of the year[As on 31-March-2014]				No. of Shares held at the beginning of the year[As on 31-March-2015]				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
f)	Any other									
Total shareholding of Promoter (A)		27823782	200	27823982	73.9899	27823982	0	27823982	73.9899	0.0000
B. Public Shareholding										
1. Institutions										
a)	Mutual Funds									
b)	Banks / FI									
c)	Central Govt									
d)	State Govt(s)									
e)	Venture Capital Funds									
Sub-total (B)(1):-		0	0	0	0.0000	0	0	0	0.0000	0.0000
Total shareholding of Promoter (A)=(A)(1)+(A)(2)		27823782	200	27823982	73.9899	27823982	0	27823982	73.9899	0.0000
B. Public Shareholding										
1. Institutions										
a)	Mutual Funds	0	679	679	0.0018	0	679	679	0.0018	0.0000
b)	Banks/FI	400	12765	13165	0.0350	400	12765	13165	0.0350	0.0000
c)	Central Govt									
d)	State Govt(s)									
e)	Venture Capital Funds									
f)	Insurance Companies	763576	0	763576	2.0305	763576	0	763576	2.0305	0.0000
g)	FIs									
h)	Foreign Venture Capital Funds									
i)	Others (specify)									
Sub-total(B)(1):-		763976	13444	777420	2.0673	763976	13444	777420	2.0673	0.0000
2. Non-Institutions										
a)	Bodies Corp.									
i)	Indian	993877	5965021	6958898	18.5052	7044317	15021	7059338	18.7723	1.4433
ii)	Overseas	0	27	27	0.0001	0	27	27	0.0001	0.0000
b)	Individuals									
i)	Individual Shareholders holding nominal share capital up to ₹ 1 lakh	1240133	513427	1753560	4.6631	1250929	505089	1756018	4.6696	0.1402
ii)	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	279450	0	279450	0.7431	176313	0	176313	0.4689	-36.9071
c)	Others (specify)									
	Non Resident Indians	10732	209	10941	0.0291	11791	209	12000	0.0319	9.6792
	Qualified Foreign Investor									
	Custodian of Enemy Property									

Category of Shareholders		No. of Shares held at the beginning of the year[As on 31-March-2014]				No. of Shares held at the beginning of the year[As on 31-March-2015]				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
	Foreign Nationals									
	Clearing Members	845	0	845	0.0022	25	0	25	0.0001	-97.0414
	Trusts									
	Foreign Bodies-D R									
	Sub-total(B)(2):-	2525037	6478684	9003721	23.9428	8483375	520346	9003721	23.9429	0.0000
	Total Public Shareholding (B)=(B)(1)+(B)(2)	3289013	6492128	9781141	26.0101	9247351	533790	9781141	26.0102	0.0000
C.	Shares held by Custodian for GDRs & ADRs									
	Grand Total (A+B+C)	31112795	6492328	37605123	100.0000	37071333	533790	37605123	100.0000	0.0000

B)Shareholding of Promoter-

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share-holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	SUNITA KHAITAN	10118900	26.9083	1.1750	10118900	26.9083	100.0000	0.0000
2	RELIANCE SHEET WORKS PVT LTD	7251481	19.2832	3.4680	7251481	19.2832	100.0000	0.0000
3	AMIT COMMERCIAL CO LTD	7230132	19.2265	3.1830	7230132	19.2265	100.0000	0.0000
4	VEDANT KHAITAN	1000408	2.6603	0.0000	1000408	2.6603	99.9592	0.0000
5	UMAMESH KUMAR KHAITAN	306074	0.8139	100.0000	306074	0.8139	100.0000	0.0000
6	SUMANGLA INVESMENT COMPANY LTD	280992	0.7472	100.0000	280992	0.7472	100.0000	0.0000
7	SUNIL KUMAR KHAITAN	274462	0.7299	100.0000	274662	0.7304	100.0000	0.0729
8	SUDHIR KUMAR KHAITAN	274461	0.7299	100.0000	274461	0.7299	100.0000	0.0000
9	ANIL KUMAR KHAITAN	233450	0.6208	100.0000	233450	0.6208	100.0000	0.0000
10	ESQUIRE ENGINEERING LTD	161547	0.4296	100.0000	161547	0.4296	100.0000	0.0000
11	SARITA KHAITAN	159915	0.4252	100.0000	159915	0.4252	100.0000	0.0000
12	RASHMI KHAITAN	118640	0.3155	100.0000	118640	0.3155	100.0000	0.0000
13	SHALIMAR HOLDINGS LTD	112343	0.2987	100.0000	112343	0.2987	100.0000	0.0000
14	SITA DEVI KHAITAN	88512	0.2354	100.0000	88512	0.2354	100.0000	0.0000
15	SAM TUL INVESTMENTS LTD	87328	0.2322	100.0000	87328	0.2322	100.0000	0.0000
16	SASHI PRABHA KHAITAN	67193	0.1787	100.0000	67193	0.1787	100.0000	0.0000
17	KAVITA KHAITAN	53954	0.1435	100.0000	53954	0.1435	100.0000	0.0000
18	AGRO CHEMICALS AND FERTILIZERS LTD	3990	0.0106	100.0000	3990	0.0106	100.0000	0.0000
19	SUNIL KUMAR KHAITAN	200	0.0005	0.0000	0	0.0000	0.0000	-100.0000
	TOTAL	27823982	73.9899	10.1473	27823982	73.9899	99.9985	0.0000

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C. Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Name	Shareholding at the beginning [01.04.14]/end of the year [31.03.2015]		Cumulative Shareholding during the year [01.04.14 to 31.03.2015]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	SUNIL KUMAR KHAITAN				
	01-04-2014	200	0.0005		
	25/04/2014 - Transfer			0	0.0000
	31-03-2015	0	0.0000	0	0.0000
2	ESQUIRE ENGINEERING LTD				
	01-04-2014	161547	0.4296		
	31-03-2015	161547	0.4296	161547	0.4296
3	RELIANCE SHEET WORKS PVT LTD				
	01-04-2014	7251481	19.2832		
	31-03-2015	7251481	19.2832	7251481	19.2832
4	SAM TUL INVESTMENTS LTD				
	01-04-2014	87328	0.2322		
	31-03-2015	87328	0.2322	87328	0.2322
5	SHALIMAR HOLDINGS LTD				
	01-04-2014	112343	0.2987		
	31-03-2015	112343	0.2987	112343	0.2987
6	AMIT COMMERCIAL CO LTD				
	01-04-2014	7230132	19.2265		
	31-03-2015	7230132	19.2265	7230132	19.2265
7	AGRO CHEMICALS AND FERTILIZERS LTD				
	01-04-2014	3990	0.0106		
	31-03-2015	3990	0.0106	3990	0.0106
8	SUMANGLA INVESMENT COMPANY LTD				
	01-04-2014	280992	0.7472		
	31-03-2015	280992	0.7472	280992	0.7472
9	SUNIL KUMAR KHAITAN				
	01-04-2014	274462	0.7299		
	25/04/2014 - Transfer			274662	0.7304
	31-03-2015	274662	0.7304	274662	0.7304
10	ANIL KUMAR KHAITAN				
	01-04-2014	233450	0.6208		
	31-03-2015	233450	0.6208	233450	0.6208
11	RASHMI KHAITAN				
	01-04-2014	118640	0.3155		
	31-03-2015	118640	0.3155	118640	0.3155
12	SUDHIR KUMAR KHAITAN				
	01-04-2014	274461	0.7299		
13	UMAESH KUMAR KHAITAN				
	01-04-2014	306074	0.8139		
	31-03-2015	306074	0.8139	306074	0.8139

SHALIMAR WIRES INDUSTRIES LIMITED

Sl. No.	Name	Shareholding at the beginning [01.04.14]/end of the year [31.03.2015]		Cumulative Shareholding during the year [01.04.14 to 31.03.2015]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
14	SARITA KHAITAN				
	01-04-2014	159915	0.4252		
	31-03-2015	159915	0.4252	159915	0.4252
15	SUNITA KHAITAN				
	01-04-2014	10118900	26.9083		
	31-03-2015	10118900	26.9083	10118900	26.9083
16	SITA DEVI KHAITAN				
	01-04-2014	88512	0.2354		
	31-03-2015	88512	0.2354	88512	0.2354
17	KAVITA KHAITAN				
	01-04-2014	53954	0.1435		
	31-03-2015	53954	0.1435	53954	0.1435
18	VEDANT KHAITAN				
	01-04-2014	1000408	2.6603		
	31-03-2015	1000408	2.6603	1000408	2.6603
19	SASHI PRABHA KHAITAN				
	01-04-2014	67193	0.1787		
	31-03-2015	67193	0.1787	67193	0.1787

D.Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name	Shareholding at the beginning [01.04.14]/end of the year [31.03.2015]		Cumulative Shareholding during the year [01.04.14 to 31.03.2015]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ASSET RECONSTRUCTION COMPANY (INDIA) LIMITED #				
	4/1/2014	5950000	15.8223		
	28/11/2014 - Transfer			0	0.0000
	3/31/2015	0	0.0000	0	0.0000
2	ADROIT TRADELINK PRIVATE LIMITED *				
	4/1/2014	0	0.0000		
	13/06/2014 - Transfer			158000	0.4202
	3/31/2015	158000	0.4202	158000	0.4202
3	LIFE INSURANCE CORPORATION OF INDIA				
	4/1/2014	671950	1.7869		
	3/31/2015	671950	1.7869	671950	1.7869
4	RAJPUTANA INVESTMENT SOCIETY PRIVATE LIMITED				
	4/1/2014	172324	0.4582		
	3/31/2015	172324	0.4582	172324	0.4582

SHALIMAR WIRES INDUSTRIES LIMITED

Sl. No.	Name	Shareholding at the beginning [01.04.14]/end of the year [31.03.2015]		Cumulative Shareholding during the year [01.04.14 to 31.03.2015]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	SHREE RANI SATI INVESTMENT & FINANCE LIMITED #				
	4/1/2014	100000	0.2659		
	13/03/2015 - Transfer			73002	0.1941
	20/03/2015 - Transfer			0	0.0000
	3/31/2015	0	0.0000	0	0.0000
6	THE ORIENTAL INSURANCE COMPANY LIMITED				
	4/1/2014	91526	0.2434		
	3/31/2015	91526	0.2434	91526	0.2434
7	FOUNTAIN VANIJYA PRIVATE LIMITED *				
	4/1/2014	0	0.0000		
	20/03/2015 - Transfer			100000	0.2659
	3/31/2015	100000	0.2659	100000	0.2659
8	MAGADH TRADERS LTD				
	4/1/2014	104245	0.2772		
	3/31/2015	104245	0.2772	104245	0.2772
9	NIHARIKA INDIA LTD				
	4/1/2014	74643	0.1985		
	3/31/2015	74643	0.1985	74643	0.1985
10	MANGLAM INDIA LIMITED				
	4/1/2014	165702	0.4406		
	3/31/2015	165702	0.4406	165702	0.4406
11	DHM TRADING PVT LTD *				
	4/1/2014	0	0.0000		
	13/06/2014 - Transfer			102964	0.2738
	3/31/2015	102964	0.2738	102964	0.2738
12	RELIGARE FINVEST LTD #				
	4/1/2014	158000	0.4202		
	13/06/2014 - Transfer			0	0.0000
	3/31/2015	0	0.0000	0	0.0000
13	MANOJ AGARWAL				
	4/1/2014	112105	0.2981		
	30/06/2014 - Transfer			111955	0.2977
	04/07/2014 - Transfer			111830	0.2974
	25/07/2014 - Transfer			111330	0.2961
	19/09/2014 - Transfer			111310	0.2960
	3/31/2015	111310	0.2960	111310	0.2960
14	SANJITA SARDA #				
	4/1/2014	102964	0.2738		
	13/06/2014 - Transfer			0	0.0000
	3/31/2015	0	0.0000	0	0.0000

* Not in the list of Top 10 shareholders as on 01.04.2014. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2015.

Ceased to be in the list of Top 10 shareholders as on 31.03.2015. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01.04.2014.

E.Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name	Shareholding at the beginning [01.04.14]/end of the year [31.03.2015]		Cumulative Shareholding during the year [01.04.14 to 31.03.2015]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	SUNIL KUMAR KHAITAN				
	4/1/2014	274462	0.7299		
	25/04/2014 - Transfer			274662	0.7304
	3/31/2015	274662	0.7304	274662	0.7304

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment : Rs. in lacs.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total
Indebtedness at the beginning of the financial year (1st April,2014)				
i) Principal Amount	7608.74	364.64	-	7973.38
ii) Interest due but not paid	16853.29	-	-	16853.29
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	24462.03	364.64	-	24826.67
Change in indebtedness during the financial year				
Addition	729.23	417.41	-	1146.64
Reduction	4.50	-	-	4.50
Net change	724.73	417.41	-	1142.14
Indebtedness at the end of the financial year (31st March,2015)				
i) Principal Amount	7607.62	749.64	-	8357.26
ii) Interest due but not paid	17579.14	32.41	-	17611.55
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	25186.76	782.05	-	25968.81

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (Rs.in lacs)
		Mr. Sunil Khaitan	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	22.20	22.20
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	18.94	18.94
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL
2.	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission	NIL	NIL
	- as % of profit - others, specify...		
5.	Others, please specify		
	Total (A)	41.14	41.14
	Ceiling as per the Act	42.00	42.00

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount (Rs.in lacs)
		Mr. Dipak Rudra	Mr. Prabir Roy	Mr. Dipak Dasgupta	Ms. Sunanda Lahiri	
1.	Independent Directors					
	• Fee for attending board / committee meetings	0.82	0.32	0.77	0.08	1.99
	• Commission	NIL	NIL	NIL	NIL	—
	• Others, please specify	NIL	NIL	NIL	NIL	—
	Total (1)	0.82	0.32	0.77	0.08	1.99
2.	Other Non-Executive Directors	Mr. Manash Chakraborty (Nominee of ARCIL)				
	• Fee for attending board / committee meetings	0.82	NIL	NIL	NIL	0.82
	• Commission	—	NIL	NIL	NIL	—
	• Others, please specify	—	NIL	NIL	NIL	—
	Total (2)		NIL	NIL	NIL	0.82
	Total (B)=(1+2)		NIL	NIL	NIL	2.81
	Total Managerial Remuneration		NIL	NIL	NIL	43.95
	Overall Ceiling as per the Act	All the Independent Directors have been paid only sitting fees for attending board meetings and Committee meetings which is well within the limits prescribed under the Companies Act, 2013.				

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		CFO	Company Secretary	Total (Rs.in lacs)
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	11.12	7.57	18.69
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	9.44	6.47	15.91
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission	NIL	NIL	NIL
	- as % of profit	NIL	NIL	NIL
	- others, specify...			
5.	Others, please specify	NIL	NIL	NIL
	Total	20.56	14.04	34.60

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

	Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment /Compounding Fees imposed	Authority [RD/ NCLT/ COURT]	Appeal Made, if any(give details)
A.	COMPANY					
	Penalty	Nil				
	Punishment	NIL				
	Compounding	NIL				
B.	DIRECTORS					
	Penalty	Nil				
	Punishment	NIL				
	*Compounding	211(2) of the Companies Act, 1956	Nature of other income could not be disclosed in XBRL as there was no such column/clarity in XBRL format. However such nature of other disclosed income was disclose as footnote in XBRL.	Rs. 5000/- on Chairman and Managing Director	Company Law Board	No

SHALIMAR WIRES INDUSTRIES LIMITED

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)
	217(3) of the Companies Act, 1956	No comment in Director s report regarding non provision of contingent liabilities in terms of AS-29	Rs. 5000/- on Chairman and Managing Director Rs. 3000/- on Mr. P.K. Sarkar, Director	Company Law Board	No
	211(3A) of the Companies Act, 1956	Non-provision of contingent liabilities in terms of AS-29	Rs. 5000/- on Chairman and Managing Director	Company Law Board	No
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil				
Punishment	NIL				
*Compounding	211(2) of the Companies Act, 1956	Nature of other Income not disclosed in XBRL because no clarity in XBRL format	Rs. 2000/- on Company Secretary	Company Law Board	No
	211(3A) of the Companies Act, 1956	Non-provision of contingent liabilities in terms of AS-29	Rs. 3000/- on Company Secretary	Company Law Board	No

* Related to financial year 2010-11

ANNEXURE - V

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

(i)	The ratio of the remuneration of Chairman & Managing Director to the median remuneration of the employees of the Company for the financial year :				
	Directors				Ratio
	Mr. Sunil Khaitan, Chairman & Managing Director				1:49
(ii)	The percentage increase in remuneration of Chairman & Managing Director, Chief Financial Officer and Company Secretary in the financial year :				% increase (decrease)
	Mr. Sunil Khaitan, Chairman & Managing Director				NIL
	Mr. S.J. Sengupta, CFO				8%
	Mr. S.K. Kejriwal, Company Secretary				8%
(iii)	The percentage increase in the median remuneration of employees in the financial year :				8.23%
(iv)	The number of permanent employees on the rolls of company : (as on 31st March, 2015)				573
(v)	The explanation on the relationship between average increase in remuneration and company performance :				
	The Company's operating profits were higher by 39%. In the wake of difficult market conditions, the average increase in remuneration of all employees after giving effect of changes in dearness allowance and annual increment considering inflation and performance of respective employees was around 8.23 %.				
(vi)	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company				(Rs. in lacs)
	Aggregate remuneration of all key managerial personnel (KMPs) in FY 2014-15				75.74
	Profit before Tax (PBT) in FY 2014-15				136.27
	Remuneration of KMPs (as % of overall performance of the Company)				55%
(vii)	Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over or decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer :				
		As at 31st March, 2015	As at 31st March, 2014	Variation	%Variation
	Market Capitalization	Rs. 1293.61 lacs	Rs. 1184.56 lacs	Rs. 109.05 lacs	9.20%
	Price Earnings Ratio	"n.m"	8.07	N.A.	N.A.
		As at 31st March, 2015	Last IPO	Bonus Issue adjustment	%Variation
	Market Price (In Rs.)	3.44	NIL	NIL	9.20%
(viii)	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:				
	Average percentile increase is 8.23% in respect of all the employees including managerial personnel and there are no exceptional circumstances for increase in managerial remuneration.				

SHALIMAR WIRES INDUSTRIES LIMITED

(ix)	Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company			
		Remuneration (Rs. in lacs)	Profit before Tax (PBT) (Rs. in lacs)	% of PBT
	Mr. Sunil Khaitan, Chairman and Managing Director	41.14	136.27	30.20%
	Mr. S.J. Sengupta, CFO	20.56		15.08%
Mr. S.K. Kejriwal, Company Secretary	14.04	10.30%		
(x)	The key parameters for any variable component of remuneration availed by the directors			
	Variable component of remuneration availed by the directors.			NIL
(xi)	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year :			
	No employee received remuneration in excess of the highest paid director, being the Chairman and Managing Director of the Company			
(xii)	Affirmation that the remuneration is as per the remuneration policy of the Company			
	The Company affirms that the remuneration paid to employees is in accordance with the Remuneration Policy of the Company			

INDEPENDENT AUDITORS' REPORT

To the Members of Shalimar Wires Industries Limited

Report on the Financial Statements

We have audited the accompanying Financial Statements of **SHALIMAR WIRES INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement, and a summary of the Significant Accounting Policies and other explanatory information for the year then ended.

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 that 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Financial Statements based on our audit.

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. 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.

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

Basis for Qualified Opinion

- (a) No provision has been made against Long Term and Short Term Loans and Advances given by the Company, which remained unrealised for long, amounting to Rs. 40,617,747 and Rs.16,094,626 respectively (Refer Note No.13 & 18)

- (b) No provision has been made for Claims Receivable remaining outstanding for long, amounting to Rs. 2,697,618. (Refer Note No. 14)
- (c) No provision has been made for Trade Receivables, remaining outstanding for long, amounting to Rs. 3,147,956. (Refer Note No. 16)
- (d) No provision has been made for Interest on Debentures and Interest on Term Loan payable to IDBI for Rs. 12,334,153 and Rs. 20,529,769 respectively due to reasons stated in Footnote No (b) (ii) to Note No. 4.
- (e) The Accounting Standard on Contingent Liabilities have not been fully complied with as disclosed in Footnote No. 2 to 4 of Note No. 28, the quantum of non-provision in respect whereof is not ascertained pending settlement / disposal of disputes.
- (f) Non-provision of Items indicated in (a) to (e) above constitute a departure from the Accounting Standards referred to in Section 133 of the Act. Without considering Item Nos. (e) Above, whose impact on the Company's Statement of Profit and Loss is presently non-ascertainable, had the provisions indicated in Item Nos. (a) to (d) been made,
 - (i) The Loss for the year would have increased by Rs. 95,421,869
 - (ii) Long Term and Short Term Loans & Advances would have decreased by Rs.40, 617,747 and Rs. 16,094,626 respectively
 - (iii) Other Non-Current Assets would have decreased by Rs. 2,697,681
 - (iv) Trade Receivables would have decreased by Rs. 3,147,956
 - (v) Other Current Liabilities would have increased by Rs. 32,863,922 and
 - (vi) The Shareholders' Fund would have been lower by Rs. 95,421,869

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, 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 31st March, 2015 and its loss and its cash flows for the year ended on that date.

Emphasis of Matters

We draw your attention to the following matters in the Notes to the Financial Statements:

1. Note No. 28 to the financial statements, which describe the uncertainty related to the outcome of the lawsuits indicated therein.
2. Note No. 30 to the financial statements which describe the change in the method of calculating depreciation for the year, the accounting treatment of the same and its impact on the financial statements.
3. Note No. 35 in the financial statements which indicates that the Company has accumulated losses and its net worth has been fully eroded, the Company has incurred net loss during the current and previous years, and the Company's current liabilities exceeded its current assets as at the Balance Sheet date. These conditions, along with other matters set forth in Notes to Financial Statements, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, these Financial Statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

- i) As required by the Companies (Auditor's Report) Order, 2015 issued by the Central Government in terms of Sub-section (11) of Section 143 of the Act, we enclose in the Annexure 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, 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) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014;
 - e) The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
 - f) The going concern matter described in sub-paragraph (3) under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
 - g) On the basis of written representations received from the Directors as on 31st March, 2015 taken on record by the Board of Directors, none of the Director is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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. 28
 - ii. The Company did not have any long-term contracts including derivative contracts for which there was any material foreseeable loss.
 - iii. The Board for Industrial and Financial Reconstruction, vide its Order dated 10th June, 2010, has exempted the Company from transferring any amount to the Investor Education and Protection Fund.

For **S. S. KOTHARI & CO.**

Chartered Accountants

FR No. 302034E

P. K. BHATTACHARYA

Partner

Place : Kolkata

Date : 27th May, 2015

(Membership No. 015899)

Annexure to the Auditors Report

The Annexure referred to in our report to the members of M/S, Shalimar Wires Industries Limited for the year ended 31st March, 2015.

We report that :

(i) (a) Whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;	(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
(b) Whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	(b) The fixed assets, except those at the Strip & Wire Unit at Nasik, which is under closure , 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.
(ii) (a) Whether physical verification of inventory has been conducted at reasonable intervals by the management;	(ii) (a) The Inventories have been physically verified by the management at reasonable intervals during the year.
(b) Are the procedures of physical verification of inventory followed by the management reasonable and adequate in relation to the size of the company and the nature of its business. If not, the inadequacies in such procedures should be reported;	(b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of stocks followed by the management is reasonable and adequate in relation to the size of the Company and nature of its business.
(c) Whether the company is maintaining proper records of inventory and whether any material discrepancies were noticed on physical verification and if so, whether the same have been properly dealt with in the books of account;	(c) On the basis of our examination, we are of the opinion that the Company is maintaining proper records of inventory. Discrepancies noticed on such physical verification, which were not material, have been properly dealt with in the books of account.
(iii) Whether the company has granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. If so,	(iii) The Company has granted Unsecured Loans to two companies covered in the register maintained under Section 189 of the Companies Act, 2013.
(a) Whether receipt of the principal amount and interest are also regular; and	(a) Receipt of principal amount and interest are not regular.
(b) If overdue amount is more than rupees one lakh, whether reasonable steps have been taken by the company for recovery of the principal and interest;	(b) The aforesaid loans to Related Parties Rs. 16,094,626 have become overdue and are doubtful of recovery. As explained to us legal action have been initiated by the Company in these regards.
(iv) Is there an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services? Whether there is a continuing failure to correct major weaknesses in internal control system.	(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.

<p>(v) In case the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, where applicable, have been complied with? If not, the nature of contraventions should be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?</p>	<p>(v) The Company has not accepted any deposit within the meaning of Section 73 of the Companies Act.</p>												
<p>(vi) Where maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, whether such accounts and records have been made and maintained.</p>	<p>(vi) The Central Government has specified maintenance of cost records under Section 148 (1) of the Companies Act, 2013 for Metal Wire Cloth manufactured by the Company. We have broadly reviewed such accounts and records and we are of the opinion that the accounts and records have been made and maintained by the Company. However, we have not made any detailed examination of such records in order to ascertain whether those are correct or up to date.</p>												
<p>(vii) (a) Is the company regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as at 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 by the auditor</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, Sales Tax, Custom Duty, Excise Duty and other statutory dues with appropriate authorities, except the following amounts relating to Discontinued Operation which are outstanding as on 31st March 2015 for a period of more than six months from the date of becoming payable:</p>												
	<table border="1"> <thead> <tr> <th>Name of Act</th> <th>Nature of Dues</th> <th>Years</th> <th>Amount (Rs) in Lacs</th> </tr> </thead> <tbody> <tr> <td>CST ACT 1958</td> <td>Sales Tax</td> <td>2003-2004</td> <td>0.72</td> </tr> <tr> <td>Bombay Stamp Act 1958.</td> <td>Stamp Duty and interest thereon</td> <td>2001-2010</td> <td>210.32*</td> </tr> </tbody> </table>	Name of Act	Nature of Dues	Years	Amount (Rs) in Lacs	CST ACT 1958	Sales Tax	2003-2004	0.72	Bombay Stamp Act 1958.	Stamp Duty and interest thereon	2001-2010	210.32*
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CST ACT 1958	Sales Tax	2003-2004	0.72										
Bombay Stamp Act 1958.	Stamp Duty and interest thereon	2001-2010	210.32*										
	<p>As explained to us, the Company does not have any dues in respect of Wealth Tax, Service Tax and Cess. * Also refer to Note No.36(b).</p>												

<p>(b) In case dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess 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 constitute a dispute).</p>	<p>(b) The disputed statutory dues aggregating to Rs 4701.41 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>																																								
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Tax, Interest & Penalty	795.60	1993-94 1995-96 1997-98 2000-01 2003-04	The West Bengal Commercial Taxes Appellate & Revision Board, Kolkata
Tax & Penalty	75.08	2005-06 2006-07 2007-08	The West Bengal Commercial Taxes Appellate & Revision Board, Kolkata.
Tax & Penalty	17.19	2008-09 2009-10	The West Bengal Commercial Taxes Appellate & Revision Board, Kolkata
Tax & Penalty	1939.74	1987-97 1992-93 1994-95 1999-00 2002-03 2003-04 2009-10	Commissioner (Appeals) Central Excise, Kolkata-IV
Tax	11.23	1989-90 2005-06	Hon'ble High Court, Mumbai
Tax & Penalty	4.34	2003-04	Commissioner (Appeals) Nashik
Tax & Penalty	1.73	2002-03	CESTAT, Mumbai
Tax	0.62	1999-2002	The Asst. Commissioner, Sales Tax, Delhi
Tax & Penalty	5.50	1999-2000 2002-03	The Asst. Commissioner, Sales Tax, Ahmedabad
Tax	573.25	2000-03	Commssioner, Customs, Nasik & Mumbai
Tax	11.69	1989-90 & 1991-92	Hon'ble High Court, Mumbai
Tax & Penalty	6.88	2007-08 2008-09	Hon'ble High Court, Mumbai

SHALIMAR WIRES INDUSTRIES LIMITED

<p>(c) Whether the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.</p>	<p>(c) The Company is exempted from transferring any amount to Investor Education & Protection Fund vide the Order of BIFR dated 10th June, 2010 .</p>																														
<p>(viii) Whether in case of a company which has been registered for a period not less than five years, its accumulated losses at the end of the financial year are not less than fifty per cent of its net worth and whether it has incurred cash losses in such financial year and in the immediately preceding financial year;</p>	<p>(viii) The accumulated losses of the company at the end of the financial year have exceeded its net worth and also the company has incurred cash losses in the current financial year and in the immediately preceding financial year.</p>																														
<p>(ix) Whether the company has defaulted in repayment of dues to a financial institution or bank or debenture holders? If yes, the period and amount of default to be reported;</p>	<p>(ix) The Company has made following defaults in repayment of dues to Financial Institution and Debenture Holders:</p>																														
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<p>(x) Whether the company has given any guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof are prejudicial to the interest of the company;</p>	<p>(x) The Company has not given any guarantee for loans taken by others from any bank or financial institution.</p>																														
<p>(xi) Whether term loans were applied for the purpose for which the loans were obtained;</p>	<p>(xi) The Company has neither taken any term loan during the year nor applied any part of the term loans taken in earlier years.</p>																														

<p>(xii) Whether any fraud on or by the company has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated.</p>	<p>(xii) 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.</p>
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Place : Kolkata
Date : 27th May, 2015

For **S. S. KOTHARI & CO.**
Chartered Accountants
FR No. 302034E
P. K. BHATTACHARYA
Partner
(Membership No. 015899)

BALANCE SHEET AS AT 31ST MARCH, 2015

(Amount in Rs.)

PARTICULARS	Note No.	As at March, 2015		As at March, 2014	
I. EQUITY AND LIABILITIES					
1. Shareholders' Fund					
a) Share Capital	2	368,645,112		368,645,112	
b) Reserves and Surplus	3	<u>(1,826,517,702)</u>	<u>(1,457,872,590)</u>	<u>(1,822,656,511)</u>	<u>(1,454,011,399)</u>
2. Non-Current Liabilities					
a) Long Term Borrowings	4	366,352,216		508,680,149	
b) Deferred Tax Liabilities (Net)	5	-		-	
c) Other Long Term Liabilities	6	44,770,584		46,707,997	
d) Long Term Provisions	7	<u>51,950,990</u>	<u>463,073,790</u>	<u>39,970,190</u>	<u>595,358,336</u>
3. Current Liabilities					
a) Trade Payables	8	104,667,563		78,971,893	
b) Other Current Liabilities	9	2,314,425,627		2,053,040,063	
c) Short Term Provisions	10	<u>5,059,059</u>	<u>2,424,152,249</u>	<u>7,765,354</u>	<u>2,139,777,310</u>
Grand Total			<u>1,429,353,449</u>		<u>1,281,124,248</u>
II. ASSETS					
1. Non-Current Assets					
a) Fixed Assets	11				
i) Tangible Assets		396,729,216		411,767,271	
ii) Intangible Assets		10,578,581		16,002,958	
iii) Capital Work-in-Progress		174,763,883		96,234,035	
b) Non-Current Investments	12	354,728		516,701	
c) Long Term Loans and Advances	13	90,016,792		80,236,225	
d) Other Non-Current Assets	14	<u>36,657,591</u>	<u>709,100,789</u>	<u>32,065,724</u>	<u>636,822,913</u>
2. Current Assets					
a) Inventories	15	294,557,549		278,575,573	
b) Trade Receivables	16	351,085,295		291,692,243	
c) Cash and Cash Equivalent	17	15,823,851		22,374,198	
d) Short Term Loans and Advances	18	58,354,580		51,066,291	
e) Other Current Assets	19	<u>431,385</u>	<u>720,252,659</u>	<u>593,029</u>	<u>644,301,334</u>
Grand Total			<u>1,429,353,449</u>		<u>1,281,124,248</u>

Significant Accounting Policies 1
Other Disclosers 28-41

The accompanying notes 1 to 41 are an intregral part of the financial statements.

As per our report of even date.

For **S. S. KOTHARI & CO.**

Chartered Accountants

FR NO. 302034E

CA P. K. Bhattacharya

Partner

Membership No.015899

Kolkata 27th May, 2015

Sunil Khaitan

Managing Director

S. J. Sengupta

Sr V.P. & CFO

Dipak Dasgupta

Director

S. K. Kejriwal

Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in Rs.)

PARTICULARS	Note No	2014-15	2013-14	
I. Revenue from Operations	20			
a) Sale of products		1,029,428,427	981,973,276	
Less : Excise Duty		93,628,824	84,359,565	
Net Turnover		935,799,603	897,613,711	
b) Sale of Services		-	-	
c) Other Operating Revenues		8,514,551	8,682,788	906,296,499
II. Other Income	21	12,240,700	17,152,957	
III. Total Revenue (I + II)		956,554,854	923,449,456	
IV. Expenses :				
Cost of Materials Consumed	22	279,001,759	325,290,542	
Purchases of Stock in Trade		-	-	
Changes in Inventories of Finished Goods, Work in Progress & Stock in Trade	23	(3,055,721)	(12,304,541)	
Employees Benefits	24	200,960,324	182,897,460	
Finance Cost	25	86,203,922	68,655,813	
Depreciation and Amortisation	28	66,747,740	66,829,803	
Less : Considered Under Extraordinary Item		6,865,511	-	66,829,803
Other Expenses	26	319,935,040	314,946,405	
Total Expenses		942,927,554	946,315,483	
V. Profit before exceptional and extraordinary items and tax. (III - IV)		13,627,300	(22,866,027)	
VI. Exceptional Items	27(i)	(218,099)	-	(46,536,526)
VII. Profit before extraordinary items and tax (V - VI)		13,845,399	23,670,499	
VIII. Extraordinary Items	27(ii)	6,865,511	-	
IX. Profit before tax (VII - VIII)		6,979,889	23,670,499	
X. Tax Expenses:				
i) Current Tax			-	
ii) Deferred Tax			-	
XI. Profit (Loss) for the period from continuing operations (IX - X)		6,979,889	23,670,499	
XII. Profit (Loss) from discontinuing operations		(10,841,079)	(8,888,390)	
XIII. Tax Expenses of discontinuing operations		-	-	
XIV. Profit (Loss) from discontinuing operations (after tax) (XII - XIII)		(10,841,079)	(8,888,390)	
XV. Profit (Loss) for the period (XI - XIV)		(3,861,191)	14,782,110	
XVI. Earnings Per Equity Share:	39			
i) Basic		(0.10)	0.39	
ii) Diluted		(0.10)	0.39	
Summary of Significant Accounting Policies	1			
Other Disclosures	28-41			

The accompanying notes 1 to 41 are an intregral part of the financial statements.

As per our report of even date.

For **S. S. KOTHARI & CO.**

Chartered Accountants

FR NO. 302034E

CA P. K. Bhattacharya

Partner

Membership No.015899

Kolkata 27th May, 2015

Sunil Khaitan

Managing Director

Dipak Dasgupta

Director

S. J. Sengupta

Sr V.P.& CFO

S. K. Kejriwal

Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in Rs.)

PARTICULARS	FOR THE YEAR ENDED 31.03.2015	FOR THE YEAR ENDED 31.03.2014
A. Cash Flow from Operating Activities :		
Net Profit (Loss) before Tax	(3,861,191)	14,782,110
Adjustments For :		
Depreciation and amortisation expense	61,028,773	68,391,120
(Profit)/Loss on Sale/Discard of Tangible Fixed Assets	297,994	1,679,252
Exceptional Items	(218,099)	(46,536,526)
Extraordinary Items	9,207,832	-
Interest Income	(1,784,137)	(1,268,015)
Net (Gain)/Loss on Sale of Investment	-	(2,263,260)
Finance Cost	86,203,922	68,655,813
Sundry Balances Written Off	347,767	16,806
Unspent Liabilities Written Back	(3,585,871)	(3,022,991)
Provision for Doubtful Debt	-	457,798
Debts and advances written off	2,662,555	2,294,810
Operating Profit before Working Capital Changes	150,461,519	103,186,917
Adjustments For :		
Increase/(Decrease) in Other Long Term Liabilities	1,648,457	(3,475,237)
Increase/(Decrease) in Long Term Provisions	11,980,800	4,627,092
Increase/(Decrease) in Short Term Provisions	(2,706,295)	1,471,866
Increase/(Decrease) in Trade Payables	25,695,670	9,457,269
Increase/(Decrease) in Other Current Liabilities	261,385,564	27,630,413
Decrease/(Increase) in Non-Current Investment	-	-
Decrease/(Increase) in Long Term Loans & Advances	(9,584,517)	(6,499,898)
Decrease/(Increase) in Other Non-Current Assets	(4,939,634)	(16,377,361)
Decrease/(Increase) in Inventories	(15,981,976)	(11,394,417)
Decrease/(Increase) in Trade Receivables	(62,055,607)	11,461,143
Decrease/(Increase) in Short Term Loans & Advances	(7,288,289)	7,043,891
Decrease/(Increase) in Other Current Assets	161,644	533,045
Cash Generated from/(used in) Operating Activities	348,777,336	127,664,723
Tax Expense	(196,050)	(153,681)
Net Cash Flow from/(used in) Operating Activities (A)	348,581,286	127,511,042

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in Rs.)

PARTICULARS	FOR THE YEAR ENDED 31.03.2015	FOR THE YEAR ENDED 31.03.2014
B. Cash Flow from Investing Activities :		
Interest Income	1,784,137	1,268,015
Proceeds from sale of Non-Current Investments	-	4,458,959
Addition to Tangible Fixed Assets	(131,461,654)	(96,822,903)
Addition to Intangible Fixed Assets	-	-
Sale of Tangible Fixed Assets	2,859,641	834,892
Net Cash flow from/(used in) Investing Activities (B)	(126,817,877)	(90,261,037)
C. Cash Flow from Financing Activities :		
Proceeds from Equity Shares	-	11,900,000
Repayment from Long term Borrowings	(142,327,933)	(23,986,019)
Exceptional Items	218,099	46,536,526
Interest Expense	(86,203,922)	(68,655,813)
Net Cash Flow from Financing Activities (C)	(228,313,756)	(34,205,306)
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(6,550,347)	3,044,698.85
Closing Balance of Cash & cash Equivalents	15,823,851	22,374,198
Opening Balance of Cash & Cash Equivalents	22,374,198	19,329,499
Net Increase/(Decrease) in Cash & Cash Equivalents	(6,550,347)	3,044,699.34

Notes :

1. The above Cash Flow Statement has been prepared under the " Indirect Method " as set out in Accounting Standard -3 on Cash Flow Statement.
2. Addition to Fixed Assets include movement of Capital Work in Progress during the year.
3. Proceeds from Long Term Borrowings are shown net of repayments.
4. Figures in brackets represent cash outflow from respective activities.
5. Cash & Cash Equivalents do not include any amount which is not available to the Company for its use.
6. As breakup of Cash & cash equivalents is also available in Note No.17, reconciliation of items of Cash & cash equivalents as per Cash Flow Statement with the equivalent items reported in the Balance Sheet is not required and hence not provided.

As per our report of even date.

For **S. S. KOTHARI & CO.**

Chartered Accountants

FR NO. 302034E

CA P. K. Bhattacharya

Partner

Membership No.015899

Kolkata, 27th May, 2015

Sunil Khaitan

Managing Director

S. J. Sengupta

Sr V.P. & CFO

Dipak Dasgupta

Director

S. K. Kejriwal

Company Secretary

NOTES TO THE FINANCIAL STATEMENTS

NOTE NO. : 1

SIGNIFICANT ACCOUNTING POLICIES:

The financial statements are prepared under the historical cost convention and are in accordance with the generally accepted accounting principles in India and provisions of the Companies Act, 2013. The significant accounting policies followed by the Company are stated below:

1) Recognition of Income & Expenditure :

Income and Expenditure are recognised on accrual basis.

2) Fixed Assets :

Fixed Assets are stated at original cost net of accumulated depreciation and impairments.

Cost includes acquisition price, attributable expenses (including in respect of assets taken on lease) and pre-operational expenses including finance charges and issue expenses, wherever applicable.

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost of acquisition less accumulated amortization and impairment, if any.

Expenditure (including financing cost relating to borrowed funds for construction or acquisition of Fixed assets) incurred on projects under implementation are being treated as pre-operative expenses pending allocation to the assets and are shown under "Capital Work in Progress".

Impairment Loss is recognised where applicable when the carrying amount of the Fixed Assets of a Cash generating unit exceeds its market value or value in use, whichever is higher.

3) Depreciation and Amortisation :

Depreciation has been charged on all Tangible Assets based on estimated useful life of assets as specified in Schedule II to the Companies Act, 2013.

Cost of Leasehold Land and installation and other expenses incurred on machineries taken on lease are amortised over the period of the respective lease.

Cost of acquisition of Patents are amortised over the period of patent right.

Technical Knowhow fees is amortised over a period of 5 years with effect from the year of commencement of commercial production.

4) Inventories :

Inventories are stated at 'cost or net realisable value, whichever is lower'. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used are 'Weighted Average Cost'.

5) Investments :

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

6) Foreign Currency Transactions :

(a) Transactions in Foreign currency are initially recorded at the exchange rate at which the transaction is carried out.

(b) Monetary Assets and Liabilities related to foreign currency transactions remaining outstanding at the year end are translated at the year end rates.

(c) Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

(d) Any income or expense on account of exchange difference either on settlement or on translation at the year end is recognized in the Statement of Profit and Loss.

(e) In case of items which are covered by forward exchange contracts, the difference between the year end rate and the rate on the date of the contract is recognized as exchange difference. The premium or discount on forward exchange contracts is recognized over the period of the respective contract.

7) Research & Development Expenditure :

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

8) 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 employee benefits are recognized as an expense in the Statement of Profit & Loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuations.

Actuarial gains and losses in respect of post employment and other long-term employee benefits are recognized in the Statement of Profit and Loss.

9) Provisions, Contingent Liabilities and Contingent Assets :

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

10) Borrowing Costs :

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

11) Taxes on Income :

Income-tax expense comprises Current tax and Deferred tax charge or credit. Provision for current tax is made on the assessable income at the tax rate applicable to the relevant assessment year. The Deferred tax Asset and Deferred tax Liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax Assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognised only if there is a virtual certainty of its realisation, supported by convincing evidence. Deferred tax Assets on account of other timing differences are recognised only to the extent there is a reasonable certainty that the assets can be realized in future.

12) Impairment of Assets :

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

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased.

Such reversals are recognised as an increase in carrying amount of assets to the extent that it does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised in previous years.

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

13) Operating Cycle :

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

14) Cash flow statement :

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

15) Segment Reporting :

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

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

NOTES TO THE FINANCIAL STATEMENTS**NOTE : 2 Share Capital**

(Amount in Rs.)

	As at March, 2015		As at March, 2014	
a) Authorised :				
i) 50,000,000 Equity Shares of Rs. 2/- each		100,000,000		100,000,000
ii) 5,000,000 Preference Shares of Rs. 100/- each		500,000,000		500,000,000
Total		<u>600,000,000</u>		<u>600,000,000</u>
b) Issued, Subscribed & Paid Up :				
i) Equity Shares Fully Paid Up :				
37,605,123 Equity Shares of Rs. 2/- each		75,210,246		75,210,246
ii) Preference Share Fully Paid Up :				
2,934,349, 8% Cumulative Redeemable Preference Share of Rs. 100/- each		293,434,866		293,434,866
Total		<u>368,645,112</u>		<u>368,645,112</u>
c) Reconciliation of the number of Equity Shares Outstanding :				
Particulars	2014-15		2013-14	
	Nos	Nos	Nos	Nos
Number of Shares outstanding at the beginning of the year		37,605,123		31,655,123
Add : Number of shares allotted as fully paid up during the year to lenders on conversion of loan into share capital without payment being received in cash.	-	-	5,950,000	5,950,000
Number of Shares outstanding at the end of the year		<u>37,605,123</u>		<u>37,605,123</u>
d) Reconciliation of the number of Preference Shares Outstanding :				
Particulars	2014-15		2013-14	
	Nos	Nos	Nos	Nos
Number of Shares outstanding at the beginning of the year		2,934,349		2,934,349
Number of Shares outstanding at the end of the year		<u>2,934,349</u>		<u>2,934,349</u>
e) Shares in the Company held by each Shareholders holding more than 5% Shares.				
Name of Shareholders	Number of Shares held	% of Share held	Number of Shares held	% of Share held
	Nos	Nos	Nos	Nos
Sunita Khaitan	10,118,900	26.91	10,118,900	26.91
Reliance Sheet Works Pvt. Ltd.	7,251,481	19.28	7,251,481	19.28
Amit Commercial Co. Ltd.	7,230,132	19.23	7,230,132	19.23
Asset Reconstruction Co. Ltd.	5,950,000	15.82	5,950,000	15.82
f) In terms of the Order dated 10th June, 2010 of the BIFR(SS-10), 5,950,000 fully paid Equity Shares of Rs. 2/- have been issued at par during 2013-14 to ARCIL towards conversion of part of the term loan due to them for Rs. 11,900,000/- without payment being received in cash. Further the company is liable to issue in future 5,150,000 Equity Shares at par to the lenders as per Clause 11.5(b) of the BIFR Order(SS-10).				
g) Rights, Preferences and Restrictions attached to shares :				
i) Each Equity Share holder holding shares of Rs. 2/- each is eligible for one vote per share held and are entitled to receive dividends as declared from time to time. In the event of liquidation the equity shares holders are eligible to receive the remaining assets of the Company after distribution of all preferential creditors in proportion to their Shareholdings.				
ii) 8% Cumulative Redeemable Preference shares issued as per IDBI sanction dated 13th June 2006 by way of converting their overdue interest is redeemable in sixteen instalments commencing from 1st April 2017 and ending on 1st January 2021. Cumulative Preference dividend is expected to be paid annually over a period of four years commencing from the financial years 2017-18, based on the projected profitability and cashflows of the Company.				

(Amount in Rs.)

NOTE : 3 Reserve & Surplus

PARTICULARS	Balance as at		Addition	Deduction	Balance as at	
	1st April, 2014				31st March, 2015	
a) General Reserve	28,763,318		-	-	28,763,318	
b) Surplus in the Statement of Profit and Loss	<u>(1,851,419,829)</u>		<u>(3,861,191)</u>	-	<u>(1,855,281,020)</u>	
	<u>(1,822,656,511)</u>		<u>(3,861,191)</u>	-	<u>(1,826,517,702)</u>	

Note:

General Reserve is primarily created to comply with the requirements of Section 123(1b) of the Companies Act, 2013. This is a free reserve and can be utilised for any general purpose like for issue of bonus shares, payment of dividend, buy back of shares etc.

NOTE : 4 Long Term Borrowings

PARTICULARS	As at March, 2015		As at March, 2014			
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
a) Debentures						
Secured						
i) 1,000,000 18% Redeemable Non-Convertible Debentures of Rs.100/- each privately placed with IDBI.	100,000,000		100,000,000			
Less : Not disbursed by IDBI	<u>10,000,000</u>	90,000,000	<u>10,000,000</u>			
	<u>90,000,000</u>		<u>90,000,000</u>			
Less : Overdue Portion of NCD (Refer Note No-9)	-		-			
Less : Current maturity of NCD (Refer Note No-9)	<u>15,031,577</u>	74,968,423	<u>-</u>	90,000,000		
ii) 350,000 19% Redeemable Non-Convertible Debenture of Rs. 100/- each privately placed with NIA.		2,145,658		2,145,658		
iii) 100,000 19% Redeemable Non-Convertible Debentures of Rs. 100/- each privately placed with OIC.		8,988,957		8,988,957		
iv) 100,000 20% Redeemable Non-Convertible Debentures of Rs. 100/- each privately placed with NIA.		10,546,481		10,546,481		
v) 374,030 14% Redeemable Debentures of Rs. 30/- each (Non-Convertible Portion)	11,214,878		11,214,878			
vi) 249,375 14% Redeemable Debentures of Rs. 20/- each. (Non-Convertible Portion)	4,987,500		4,987,500			
vii) 10,300 14% Redeemable Debentures of Rs. 10/- each. (Non-Convertible Portion)	103,000		103,000			
	<u>16,305,378</u>		<u>16,305,378</u>			
Less : Allotment Money in arrear	87,360		87,360			
Less : Unpaid Matured Debenture-Refer Note No-9(d)						
Transfer to Investor Protection Fund	15,206,388		15,206,388			
Other Overdue Debenture	<u>1,011,630</u>		<u>1,011,630</u>			
		<u>96,649,519</u>		<u>111,681,096</u>		

SHALIMAR WIRES INDUSTRIES LIMITED

NOTE : 4 Long Term Borrowings

PARTICULARS	As at March, 2015			As at March, 2014		
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
b) Term Loan :						
i) From Banks / Financial Institutions						
Secured :						
ARCIL	504,281,568			504,281,568		
IDBI	99,000,000			99,000,000		
IDBI (ACS)	<u>43,230,081</u>			<u>43,680,081</u>		
	<u>646,511,649</u>			<u>646,961,649</u>		
Less : Overdue Portion of Long Term Debt						109,268,688
Less : Current maturity of Long Term Debt						
(Refer Note -9(a))	<u>171,472,927</u>	<u>221,781,568</u>		<u>144,538,466</u>		393,154,495
ii) Other Parties						
Unsecured :						
Body Corporates	44,866,759			1,125,000		
SICOM	4,757,756			4,757,756		
Sale Tax Loan (Under Sales Tax Deferral Scheme)	<u>26,906,419</u>			<u>28,906,419</u>		
	<u>76,530,934</u>			<u>34,789,175</u>		
Less : Overdue Portion of Long Term Debt						26,931,340
Less : Current maturities of Long Term Debts (Refer note no 9 (a))		<u>44,866,759</u>		<u>6,732,835</u>		1,125,000
			<u>266,648,327</u>			394,279,495
c) Loans and Advances from Related Parties :						
Unsecured :						
Mr. Sunil Kumar Khaitan			1,675,000			1,675,000
d) Long Term Maturities of Finance Lease. (CAR)						
Secured :						
HDFC Bank Ltd.	2,569,986			2,205,991		
Tata Motors Finance Ltd.	-			585		
Family Credit Ltd.	<u>-</u>			<u>25,204</u>		
	<u>2,569,986</u>			<u>2,231,780</u>		
Less Current maturities of finance lease						
(Refer Note-9(b))	<u>1,190,616</u>	<u>1,379,370</u>		<u>1,187,222</u>		1,044,558
			<u>1,379,370</u>			1,044,558
Total			<u>366,352,216</u>			<u>508,680,149</u>

NOTES :

Terms of Redemption/Repayment :

a) Debentures

- i) In respect of Note-4(a)(i) above, pursuant to the BIFR Order dated 10th June, 2010 and subsequent rescheduling made by the IDBI repayment will start from the year 2013-14 (rescheduled as 2015-16) and end on 2016-17.
- ii) In respect of Note-4(a) (ii) to (iv) above, the repayment will be made after all the secured creditors agreeing the restructuring scheme pursuant to the BIFR Order dated 10th June, 2010 have been fully paid off.
- iii) In respect of Note-4(a)(v) to (vii) above, repayable at par on the expiry of 7th, 8th and 9th years from the date of allotment i.e 4th February, 1992

b) Term Loans :

- i) ARCIL: During the year 2013-14, ARCIL has restructured the schedule of repayments of their outstanding Term

Loan by segregating total outstanding as under effective from October,2013:

Principal Rs. 35.21 Crores

Interest Rs. 10.99 Crores

Accordingly provision has been made for the elements of interest for the year Rs.77,285,294/-, included under Finance Cost. Out of this, Rs.4,685,294/- has been paid during the year and the balance amount of Rs.72,600,000/- is included under Interest Accrued and Due.

As per the terms of Original Sanction letter of ARCIL, no re-alignment of the principal amount would be considered till repayment of all the instalments. Hence no adjustment has been made towards principal amount of term loan from ARCIL.

However, the Company has made an application on 9th April, 2015 with the ARCIL for further restructuring of the loan including interest thereon and the matter is under their consideration.

- ii) IDBI : Pursuant to the BIFR Order dated 10th June, 2010 repayment will start from the financial year 2013-14 and end on 2016-17.

The Company has submitted a modified DRS Scheme to the Hon'ble Board of BIFR regarding its total exposure to IDBI for Rs.232,230,081/- (including Redeemable Non Convertible Debentures of Rs. 90,000,000) (Previous Year Rs.232,680,081), the approval of which from the BIFR is still awaited. However, the said Scheme has received the consent of the other major lender, ARCIL.

In view of above modified DRS Scheme, awaiting approval, as also the Company becoming a Non Performing Asset in the books of IDBI, no provision for the year for Interest on Debenture (including penal interest) Rs.12,334,153/- and Interest on Term Loan (including penal interest) Rs.20,529,769/- has been made in this financial statement.

- iii) Unsecured loans relating to promoters and body corporates are repayable after the repayment of all settled dues of secured creditors are made pursuant to the Rehabilitation Scheme sanctioned by BIFR vide its Order dated 10th June, 2010 and also no interest is payable on the above (except Loan taken from Bodies Corporate during the year for Rs.40,500,000/-) and so no provision for interest has been made except on Rs.40,500,000/-.
- iv) Loans from SICOM & Sale Tax Loan (Under Sales Tax Deferral Scheme) are repayable over a period of five years after cutoff date (31.03.2009) in equal annual instalments pursuant to the Rehabilitation Scheme sanctioned by BIFR vide its Order dated 10th June, 2010. As per the above order no interest is payable on these loans and hence No Provisions is required to be made for the same.

- c) Finance Lease :

In respect of Note-4(d) above, repayable in monthly instalments from June, 2012 to July, 2018 for respective cars covered under above lease.

Nature of Security :

- a) Debentures

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

- b) Term Loans :

i) Term Loans from Financial Institutions and Banks, except term loan from IDBI (ACS) of Rs.43,230,081/- (Previous Year Rs. 43,680,081/-) as stated herein after, are secured / to be secured by pari passu first charge by deposit of title deeds of all the immovable and movable properties, both present and future subject, however to prior charges to be created / to be created in favour of the Company's bankers on stocks and receivables for securing borrowings for working capital requirements.

ii) Term Loan from IDBI (ACS) of Rs. 43,230,081/- (Previous Year Rs.43,680,081/-) under various Schemes of the Financial Institution are secured by exclusive charge on Fixed Assets purchased under relevant schemes.

- c) Finance Lease :

In respect of Note-4(d) above the aforesaid leases are secured by the hypothecation of the cars.

SHALIMAR WIRES INDUSTRIES LIMITED

Period and amount in continuing default:

Nature of Loans	As at March, 2015		As at March, 2014	
	Amount of Default (Rs.)	Due Since (Rs.)	Amount of Default (Rs.)	Due Since (Rs.)
i) Secured-Term Loan				
Assets Restrucing Company (India) Limited (ARCIL)	1,600,000	Oct'2013	1,600,000	Oct'2013
Do	1,700,000	Nov'2013	1,700,000	Nov'2013
Do	1,700,000	Dec'2013	1,700,000	Dec'2013
Do	1,700,000	Jan '2014	1,700,000	Jan '2014
Do	1,700,000	Feb'2014	1,700,000	Feb'2014
Do	81,800,000	Mar'2014	81,800,000	Mar'2014
Do	6,100,000	Apr'2014		
Do	6,200,000	May'2014		
Do	6,300,000	Jun'2014		
Do	6,400,000	Jul'2014		
Do	6,600,000	Aug'2014		
Do	6,700,000	Sept'2014		
Do	6,800,000	Oct'2014		
Do	6,900,000	Nov'2014		
Do	7,000,000	Dec'2014		
Do	7,100,000	Jan '2015		
Do	7,200,000	Feb'2015		
Do	7,400,000	Mar'2015		
Total	170,900,000		90,200,000	
Industrial Development Bank of India-ACS	4,226,296	Sept'2013	4,676,296	Sept'2013
Do	6,242,042	Oct'2013	6,242,042	Oct'2013
Do	6,242,042	Nov'2013	6,242,042	Nov'2013
Do	1,908,308	Dec'2013	1,908,308	Dec'2013
Do	1,318,046	May'2014		
Do	6,242,042	Jun'2014		
Do	6,242,042	Jul'2014		
Do	6,242,042	Aug'2014		
Do	6,242,042	Sept'2014		
Do	6,242,042	Oct'2014		
Do	6,242,042	Nov'2014		
Do	6,242,042	Dec'2014		
Do	6,242,042	Jan '2015		
Do	6,242,042	Feb'2015		
Do	6,242,042	Mar'2015		
Total	82,357,154		19,068,688	
ii) Unsecured Term Loan**				
SICOM	951,551	Mar'2010	951,551	Mar'2010
Do	951,551	Mar'2011	951,551	Mar'2011
Do	951,551	Mar'2012	951,551	Mar'2012
Do	951,551	Mar'2013	951,551	Mar'2013
Do	951,551	Mar'2014		
Total	4,757,755		3,806,204	

Sale Tax Loan (Under Sales Tax Deferral Scheme)	5,781,284	Mar'2010	5,781,284	Mar'2010
Do	5,781,284	Mar'2011	5,781,284	Mar'2011
Do	5,781,284	Mar'2012	5,781,284	Mar'2012
Do	5,781,284	Mar'2013	5,781,284	Mar'2013
Do	3,781,284	Mar'2014		
Total	<u>26,906,420</u>		<u>23,125,136</u>	

NOTE : 5 Deferred Tax Liabilities (Net)

PARTICULARS	As at March, 2015			As at March, 2014		
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Deferred Tax Liabilities						
Accumulated Depreciation			32,443,126			42,710,309
Deferred Tax Assets						
Expenses allowable for tax purposes when paid			32,443,126			42,710,309
Deferred Tax Liability (Net) recognized in books			-			-

Note : Applying the principal of Accounting Standard-22, 'Accounting for Tax on Income', Deferred tax Assets have been recognized only to the extent of Deferred Tax Liability.

NOTE : 6 Other Long Term Liabilities

Other Payables :

Accrued Expense		35,632,213		35,728,642
Sales Tax in connection Leased Assets sales		4,343,236		3,812,500
Finance Lease Rent (Including Interest)	15,555,325		15,529,479	
Less : Overdue Finance Lease Rent (Refer Note-9)	8,362,624		5,973,672	
Less : Current Maturities of Finance Lease Rent : Interest (Refer Note-9)	<u>2,397,567</u>	<u>4,795,134</u>	<u>2,388,952</u>	<u>7,166,855</u>
			<u>44,770,584</u>	<u>46,707,997</u>
Total			<u>44,770,584</u>	<u>46,707,997</u>

NOTES :**Terms of Repayment :**

Finance Lease Rent in respect of Equipment Lease Scheme from IDBI is repayable for principal and interest amount commencing from 2006-07 to 2013-14 and from 2013-14 to 2017-18 respectively.

Nature of Security :

Equipment Lease Scheme from IDBI of Rs. 15,555,325/- (Previous Year Rs.15,529,479/-) is secured by exclusive charge on Fixed Assets purchased under relevant scheme.

NOTE : 7 Long Term Provisions

PARTICULARS	As at March, 2015		As at March, 2014	
	Rs.	Rs.	Rs.	Rs.
a) Provision for Employees Benefits			25,631,381	
Gratuity		33,367,383	12,613,809	38,245,190
Leave Encashment Refer note-39		<u>16,858,607</u>		<u>50,225,990</u>
b) Others				
Debenture Premium		1,375,000	1,375,000	
Provision for Contingencies		350,000	350,000	1,725,000
Total		<u>51,950,990</u>	<u>39,970,190</u>	

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NOTE : 8 Trade Payable

PARTICULARS	As at March, 2015		As at March, 2014	
	Rs.	Rs.	Rs.	Rs.
Total Outstanding Dues of Micro and Small Enterprises		2,060,221		1,523,412
Total Outstanding Dues of Other than Micro and Small Enterprises				77,448,481
		<u>102,607,342</u>		<u>78,971,893</u>
		<u>104,667,563</u>		

Note :

- i) Amount dues to suppliers, are subject to confirmation of the parties.
- ii) The Company has amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at 31st March, 2015 as under:

The Principal amount and Interest due thereon remaining unpaid to any supplier as at the end of the year.	2,060,221	1,523,412
The amount of Interest paid in terms of Section 16 along with the amount of the payment made to the supplier beyond the appointed day during the year.	13,402,148	11,697,141
The amount of interest due and payable for the period of delay payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	-	-
The amount of Interest accrued and remaining unpaid at the end of the year.	-	-
The amount of Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

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

NOTE : 9 Other Current Liabilities

PARTICULARS	As at March, 2015		As at March, 2014	
	Rs.	Rs.	Rs.	Rs.
a) Current Maturities of Long Term Debts - Refer Note No-4(b)(i) & (ii)		171,472,927		151,271,301
b) Current Maturities of Finance Lease Obligations -Refer Note No-4(d) & 6		3,588,183		3,576,174
c) Interest Accrued and Due on Borrowings		1,761,154,657		1,685,328,838
d) Unpaid Matured Debentures and Interest accrued thereon				
Other Overdue Debenture -Refer Note No-4(a)	1,011,630		1,011,630	
* Investor Education and Protection Fund (Matured Debenture) -Refer Note No-4(a)	15,206,388		15,206,388	
Interest Accrued and Due	<u>5,920,399</u>	<u>22,138,417</u>	<u>5,920,399</u>	<u>22,138,417</u>
* The Board for Industrial and Financial Reconstruction, vide its Order dated 10th June, 2010, has exempted the Company from transferring any amount to the Investor Education and Protection Fund.				

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PARTICULARS	As at March, 2015		As at March, 2014	
	Rs.	Rs.	Rs.	Rs.
e) Other Payables				
Overdue Portion of Long Term Debt (Refer Note No-4(b) above)	284,921,329		136,200,028	
Overdue Lease Finance Rent (Refer Note No-6)	8,362,624		5,973,672	
Overdue Portion of NCD (Refer Note No-4(a)(i))	-		-	
Current Maturity of NCD (Refer Note No-4(a)(i))	15,031,577		-	
Advance from Customers & Others	4,483,410		5,598,435	
Statutory Liabilities	4,885,330		5,047,418	
Salary Wages & Bonus	25,659,498		25,232,565	
Others	12,727,674	356,071,443	12,673,216	190,725,334
Total		<u>2,314,425,627</u>		<u>2,053,040,063</u>

NOTE : 10 Short Term Provisions

PARTICULARS	As at March, 2015		As at March, 2014	
	Rs.	Rs.	Rs.	Rs.
a) Provision for Employees Benefits				
Unpaid Gratuity	3,903,527		4,067,740	
Leave Encashment	1,155,532	5,059,059	3,697,614	7,765,354
Total		<u>5,059,059</u>		<u>7,765,354</u>

NOTE : 1.1 Fixed Assets

I) Tangible Assets

Reconciliation of the gross carrying amounts and net carrying amounts at the beginning and at the end of the year.

DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRECIATION		IMPAIRMENT			NET BLOCK				
	As at 1.04.2014	Additions	Disposals	As at 31.03.2015	Upto 31.03.2014	For the year	Disposals	Upto 31.03.2015	As at 1.04.2014	Reversed during the year	Provided during the year	As at 31.03.2015	As at 31.03.2014
Land													
Freehold	1,270,150	-	-	1,270,150	-	-	-	-	-	-	-	1,270,150	1,270,150
Leasehold	1,005,213	-	-	1,005,213	319,547	11,581	-	331,128	-	-	-	674,085	685,666
Buildings													
Own	181,779,395	24,847,912	-	206,627,307	91,523,008	6,368,074	-	97,891,082	-	-	-	108,736,225	90,256,385
Leasehold	4,925,807	-	-	4,925,807	1,517,023	69,414	-	1,586,437	-	-	-	3,339,370	3,408,785
Plant And Equipments	1,201,221,927	17,514,197	8,425,784	1,210,310,340	908,494,369	49,037,709	6,226,364	951,305,713	-	-	-	259,004,626	292,727,559
Furniture and Fixtures	39,063,360	7,840,374	-	46,903,734	29,022,766	4,451,140	(5,477)	33,479,384	-	-	-	13,424,350	10,040,594
Vehicles	11,655,970	2,108,980	2,196,538	11,548,412	4,283,443	1,531,396	1,254,463	4,560,377	-	-	-	6,988,095	7,352,527
Office Equipments	9,024,493	115,500	-	9,139,993	6,760,648	1,617,724	-	8,378,372	-	-	-	761,621	2,263,847
Others													
Computers	31,177,875	504,843	5,150	31,677,568	27,416,114	1,725,089	(5,513)	29,146,816	-	-	-	2,530,752	3,761,759
Total	1,481,104,190	52,931,807	10,627,472	1,524,408,524	1,069,336,918	64,812,228	7,469,837	1,126,679,309	-	-	-	396,779,216	411,767,271
Previous Year	1,451,733,739	43,413,572	14,043,121	1,481,104,190	1,017,336,950	63,528,946	11,528,978	1,069,336,916	-	-	-	-	-

Note : 1. Buildings include Rs. 234,277/- being cost of co-ownership flats. (Previous Year Rs. 234,277/-)

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

Vehicles Gross Block Rs. 5,240,440/- (Previous Year Rs. 7,635,444/-) and Net Block Rs. 4,270,971/- (Previous Year Rs. 5,606,793/-).

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

Particulars	As at 31.03.2015		As at 31.03.2014	
	Min.HP Payment	Present Value	Min.HP Payment	Present Value
a) Not later than one year	1,243,902	950,259	1,529,592	982,470
b) Not later than one year and not later than five years	-	1,619,727	-	1,249,310
c) Later than five years	-	-	-	-

4. The Fixed Assets shown above include those pertaining to discontinuing operations. Refer Note No-36.

ii) Intangible Assets

Reconciliation of the Gross Carrying Amounts and Net Carrying Amounts at the beginning and at the end of the year.

DESCRIPTION OF ASSETS	GROSS BLOCK		AMORTISATION		IMPAIRMENT		NET BLOCK		
	As at 1.04.2014	As at 31.03.2015	Upto 31.03.2014	For the Year	Upto 31.03.2015	Reversed during the Year	Provided during the Year	As at 31.03.2015	As at 31.03.2014
Computer Software	-	-	-	-	-	-	-	-	-
-Acquired	4,591,630	4,591,630	1,670,744	1,035,451	2,706,195	-	-	1,885,435	2,920,886
Patents	-	-	-	-	-	-	-	-	-
-Acquired	2,030,078	2,030,078	1,860,666	84,706	1,945,372	-	-	84,706	169,412
Technical Knowhow	-	-	-	-	-	-	-	-	-
-Acquired	21,521,100	21,521,100	8,608,440	4,304,220	12,912,660	-	-	8,608,440	12,912,660
Total	28,142,808	28,142,808	12,139,850	5,424,377	17,564,227	-	-	10,578,581	16,002,958
Previous Year	28,142,808	-	7,277,676	4,862,174	-	-	-	-	-

	Op Bal 01.04.2014	Addition	Deduction	Cl. bal as 01.04.2015
Capital Works in progress	96,234,035	78,529,848	-	174,763,883 **
Total	96,234,035	78,529,848	-	174,763,883

SHALIMAR WIRES INDUSTRIES LIMITED

NOTE : 12 Non-Current Investments

PARTICULARS	As at March, 2015			As at March, 2014		
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
a) Investment Property						
b) Investments in Equity instruments						
Bodies Corporate:						
Quoted Fully Paid Up.						
i) Anil Special Steel Industries Ltd.						
111,705 Equity Shares of Rs.10/- each.	2,652,450			2,652,450		
(Including 10,155 Equity Shares received as Bonus)						
ii) Pamwi Tissues Ltd						
260,130 Equity Shares of Rs.10/- each.	1,328,427			1,328,427		
iii) Sumangala Investment Co.Ltd						
4,200 Equity Shares of Rs.10/- each	<u>42,000</u>			<u>42,000</u>		
		4,022,877			4,022,877	
Un-Quoted Fully Paid Up.						
i) Shalimar Impex Ltd						
1,000 Equity Shares of Rs.10/- each.	10,000			10,000		
ii) Satya Sons Services Ltd						
2,000 Equity Shares of Rs.10/- each.	<u>20,000</u>			<u>20,000</u>		
		<u>30,000</u>			<u>30,000</u>	
		4,052,877			4,052,877	
c) Investments in Govt. or Trust Securities						
7 Year National Savings Certificate.						
(Lodged with Govt. Authorities)	<u>13,000</u>	13,000		<u>13,000</u>	13,000	
		<u>4,065,877</u>			<u>4,065,877</u>	
Less: Provision for diminution in value of Investments		<u>3,711,149</u>			<u>3,549,176</u>	
Total		<u>354,728</u>			<u>516,701</u>	
Note : All the above investments are stated at cost. Provision for diminution is made to recognize a decline, other than temporary, in the value of long term investments, script wise.						
Aggregate value of Quoted Investments		4,022,877			4,022,877	
Market value of Quoted Investments		341,728			633,278	
Aggregate value of Un-Quoted Investments		43,000			43,000	
Aggregate Provision for diminution in value of Investments		3,711,149			3,549,176	

NOTE : 13 Long Term Loans and Advances

Unsecured, Considered Goods:	As at March, 2015			As at March, 2014		
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
a) Capital Advances		15,847,644			8,655,142	
b) Security Deposits		20,021,185			18,340,271	
c) Other Loans and Advances						
Inter Corporate Deposits	40,617,747			40,617,747		
Taxes & Duties Paid Under Protest	6,191,053			6,391,053		
Advance Income Tax	2,220,834			2,024,784		
Advance against Salary & Wages	5,118,329	54,147,963	90,016,792	4,207,228	53,240,812	80,236,225
Total			<u>90,016,792</u>			<u>80,236,225</u>

Note : In respect of Inter Corporate Deposits given to 4 Bodies Corporate Rs. 40,617,747/-, though the amount remained outstanding for a long period, no provision has been made as the same is considered good for recovery.

NOTE : 14 Other Non-Current Assets

	As at March, 2015		As at March, 2014	
	Rs.	Rs.	Rs.	Rs.
a) Others				
Unsecured, Considered Goods :				
Export Entitlement		11,118,251		11,118,251
Claim Receivable		25,539,340		20,947,473
Total		36,657,591		32,065,724

Note : In respect of Claims Receivable for Rs. 2,697,618/- even though the amount is outstanding for a long period, no provision has been made as the same is considered good for recovery.

NOTE : 15 Inventories

(Valued at lower of cost and net realizable value, unless stated otherwise)

a) Raw Materials	82,529,728		68,764,670	
b) Work in Progress	147,427,642		137,488,016	
c) Finished Goods	10,378,453		17,084,630	
d) Stores & Spares	54,199,663		55,038,466	
e) Factory Scrap	22,063		199,791	
Total	294,557,549		278,575,573	

NOTE : 16 Trade Receivables**Unsecured, Considered Goods :**

Outstanding for a period exceeding six month	87,088,352		36,371,378	
Other Debts	263,996,943	351,085,295	255,320,865	291,692,243

Doubtful :

Outstanding for a period exceeding six month	457,798		762,157	
Less : Provision for doubtful debts	457,798	-	762,157	-
Total		351,085,295		291,692,243

Note : Trade receivables include Rs.3,147,956/- (Previous year Rs.3,147,956/-) outstanding since a long period from related parties. However, no provision against the same has been considered necessary. Refer Note No. 34 relating to related parties.

NOTE : 17 Cash and Cash Equivalent**a) Balances with Banks**

In Current Account	7,866,595		11,428,493	
Fixed Deposit	2,763,719	10,630,314	-	11,428,493

b) Cash on hand

1,921,099

1,334,252

c) Other Bank Balance**Deposits under lien with banks**

Fixed Deposit (Lodged with Bank as Margin)

i) Maturity period more than 3 months but less than 12 months	-		4,607,900	
ii) Maturity period more than 12 months	3,272,438	3,272,438	5,003,553	9,611,453
Total		15,823,851		22,374,198

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	As at March, 2015		As at March, 2014	
	Rs.	Rs.	Rs.	Rs.
NOTE : 18 Short Term Loans and Advances				
a) Loans and Advances to Related Parties :		16,094,626		16,094,626
Unsecured, Considered Goods				
b) Others :				
Unsecured, Considered Goods				
Advance to Suppliers & Others	17,232,626		16,896,399	
CENVAT Receivable	12,963,155		7,579,715	
Vat receivable	2,578,638		2,306,242	
TDS Receivable	-		104,215	
Prepaid Expenses	2,710,107		2,917,754	
Others	6,775,427	42,259,954	5,167,340	34,971,665
Total		58,354,580		51,066,291

Note : In view of the long outstanding position, no interest income has been accounted for since 2001-2002 in respect of the unsecured Loans and Advance to Related Parties. Also no provision has been considered necessary for Unsecured Loan and Advances to 2 Related parties Rs. 16,094,626. Refer to Note No-34 relating to Related Parties.

NOTE : 19 Other Current Assets

Interest Receivable	431,385	593,029
Total	431,385	593,029

	2014-15		2013-14	
	Rs.	Rs.	Rs.	Rs.
NOTE : 20 Revenue from operations				
a) Sale of goods (Gross)				
Wire/Fabric for Pulp, Paper Board Industries	889,089,798		845054048	
Copper & Copper Alloy Wires Including Monel Wires	96,309,824		106481514	
Dandy Roll & Dandy Bracket	34,978,373		20,813,481	
Others	9,050,432	1,029,428,427	9,624,233	981,973,276
b) Other Operating Income				
Export Entitlement	6,289,794		6,740,294	
Scrap Sale*	2,224,757	8,514,551	1,942,494	8,682,788
Revenue from operations (Gross)		1,037,942,978		990,656,064
Less : Excise duty and cess on sale of goods		93,628,824		84,359,565
Revenue from operations (net)		944,314,154		906,296,499

* Net of Excise Duty.

	2014-15		2013-14	
	Rs.	Rs.	Rs.	Rs.
NOTE : 21 Other Income				
a) Interest Income (Tax Deducted at Sources Rs. 196,050 Previous year Rs. 124,328/-)		1,784,137		1,268,015
b) Net Gain on Sale of Investment.		-		2,263,260
c) Other Non-Operating Income (Net) :				
i) Net gain on foreign currency transactions	2,928,555		9,044,619	
ii) Unspent liabilities/balances written back	3,585,871		3,022,991	
iii) Miscellaneous Income	3,942,138	10,456,564	1,554,072	13,621,682
Total		<u>12,240,700</u>		<u>17,152,957</u>

NOTE : 22 Cost of Materials Consumed

Raw Materials Consumed

Opening Stock	68,764,670		66,974,117	
Add : Purchase	<u>292,766,816</u>	<u>361,531,486</u>	<u>327,081,095</u>	394,055,212
Less : Closing Stock		<u>82,529,727</u>		<u>68,764,670</u>
Total		<u>279,001,759</u>		<u>325,290,542</u>

NOTE : 23 Change in Inventories

Closing Stock :

Finished Goods	10,378,453		17,084,630	
Work in Progress :	147,427,642		137,488,016	
Stock in Trade	-		-	
Scrap	<u>22,063</u>	<u>157,828,158</u>	<u>199,791</u>	154,772,437
Less: Opening Stock :				
Finished Goods	17,084,630		14,743,893	
Work in Progress :	137,488,016		127,653,659	
Stock in Trade	-		-	
Scrap	<u>199,791</u>	<u>154,772,437</u>	<u>70,344</u>	142,467,896
Increase / (Decrease) in Stock		<u>3,055,721</u>		<u>12,304,541</u>

NOTE : 24 Employees Benefits Expense

Salaries and Wages	175,385,205		158,661,764	
Contribution to Provident Fund and Other Fund	11,270,720		10,268,576	
Staff welfare Expense	14,304,400		13,967,121	
Total	<u>200,960,324</u>		<u>182,897,460</u>	

Note: Salaries and Wages include Rs.672,563/- (Previous Year Rs.365,685/-) being expenses incurred on Research & Development.

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	2014-15 Rs.	2013-14 Rs.
NOTE : 25 Finance Cost		
a) Interest Expense	<u>86,203,922</u>	<u>68,655,813</u>
Total	<u>86,203,922</u>	<u>68,655,813</u>
NOTE : 26 Other Expenses		
Stores & Spare parts consumption	62,753,063	63,891,850
Rent	6,076,840	4,300,880
Rates & Taxes	694,309	931,416
Insurance	5,947,241	4,281,074
Power & Fuel	39,089,630	33,680,280
Repairs & Maintenance	60,482,664	58,176,424
Travelling & Conveyance	31,631,006	34,497,713
Directors' Fees	421,500	472,500
Payments to Auditors	355,000	315,000
Brokerage & Commission	17,049,819	20,853,257
Legal and Professional Expenses	24,109,673	23,483,362
Freight & Forwarding	7,126,231	5,906,376
Settlement Compensation to Customers	9,913,127	9,123,168
Loss on Sale of Tangible Assets	263,436	1,679,252
Loss on Discarded of Tangible Assets	34,558	-
Debenture Trustee Remuneration	106,868	292,600
Doubtful Debt Written Off	2,662,555	2,294,810
Sundry Balances Written Off	347,767	16,806
Provision for Doubtful Debt	-	457,798
Provision for Impairment Loss	-	-
Preliminary Expenses Written Off	-	-
Prior Period Expenses	1,745,092	3,663,671
Net Loss on Foreign Currency Exchange	40,794	-
Miscellaneous Expenses	<u>49,083,868</u>	<u>46,628,168</u>
	<u>319,935,040</u>	<u>314,946,405</u>
NOTE : 27 Income from Exceptional Items		
a) Forfeited amount of Interest on Deposit from a party	218,099	29,511,183
b) Waiver of Electricity Duty	-	17,025,343
	<u>218,099</u>	<u>46,536,526</u>
Note :		
a) During the year Rs. 10,100,000/- had been received from a party as deposit for disposal of Company's Land at Nasik, through Stae Bank of India. However the BIFR directed to stop continuing the negotiated sale and the amount of deposit has been refunded to the party. The Company earned interest on such deposits from State Bank of India Rs. 218,099/- for the period the amount of deposit remained with them.		

b) In terms of the BIFR Order dated 10th June, 2010 the Company is entitled for waiver of Electricity Duty under the provision of the West Bengal Electricity Duty Act, 1935 for a period of 5 years with effect from 1st April, 2009. Accordingly, claim had been initiated with the Directorate of Electricity Duty for Rs. 17,025,343/- pertaining to the period from 1st April, 2009 to 31st March, 2014 on the basis of Eligibility Certificate dated 17th January, 2014 issued by the Industrial Reconstruction Department, Government of West Bengal. The final Waiver Certificate from the Directorate of Electricity Duty, Govt. of West Bengal, is awaited pending verification of documents relating to the amount of claim.

ii) Expenditure for Extraordinary Items	6,865,511	-
Depreciation	-	-
	<u>6,865,511</u>	<u>-</u>

Note :

In absence of Retained Earning Proportionate part depreciation pertaining to assets having no future estimated life has been disclosed under Extraordinary Item being considered as a one-time charge relevant to the year of adoption of Schedule-II of the Companies Act, 2013 (also Refer to Note No. 30)

	2014-15		2013-14	
	Rs.	Rs.	Rs.	Rs.
NOTE : 28 Other Disclosures				
Contingent Liabilities and Commitments				
(To the extent not provided for)				
i) Contingent Liabilities				
a) Claim against the company not acknowledged as debt	9,008,000		9,008,000	
b) Guarantees	6,006,157		7,692,844	
c) Other money for which the company is contingently liable				
Sale Tax Demands	215,077,937		212,784,725	
Excise Demands	195,704,512		193,516,528	
Municipal Tax Demands	1,857,305		1,857,305	
Non fulfillment of Export Obligation under DEEC Scheme	57,324,691		57,324,691	
Non fulfillment of Export Obligation under ISIL Scheme	-	469,964,445	-	465,483,249
Total		<u>484,978,602</u>		<u>482,184,093</u>
ii) Commitments				
a) Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (Net of Advance)		37,354,109		73,900,107
b) Uncalled liability on shares and other investments partly paid		-		-
c) Other Commitments		-		-
Total		<u>37,354,109</u>		<u>73,900,107</u>

Note :

1 The above contingent liability in respect of Sale Tax includes an amount of Rs.179166738/- (Previous Year Rs.179166738/-) being tax demand by the Sale Tax Authorities on sale of synthetic fabric manufactured by the Company for the year 1993-94, 1995-96 to 2001-02, 2003-04 and 2004-05 consequent upon the treatment of such fabric as a taxable item which the Company claims to be non-taxable. The Company's appeal in respect of the aforesaid demand is pending before various authorities. In respect of demand for disputed Sales Tax in Synthetic of Rs.78061149/- for the year 1993-94,1995-96,1997-98,1999-2000 and 2003-04, orders in favour of the Company have been issued by W.B.Commercial Taxes Appellate and Revision Board and Sr.Joint Commissioner as well as Hon'ble High Court of Kolkata. The Sales Tax department is yet to issue revised orders and has not yet filed review petition before the Hon'ble Appex Court.

Proceeding have also been initiated by the Sales Tax authorities to re-open assessment in respect of certain other years, though no demand has been raised by the Department in respect of above years. The company is contesting the same and has been legally advised that the above is not taxable

As against above demands the Company has deposited Rs.3,012,293/- under protest.

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- 2) The above Contingent Liabilities for Excise Demands includes demands made by Central Excise Authorities from time to time on some alleged intermediate product (Grey Fabric) of Synthetic Wire Cloth for the financial years 1987-88 to 2010-11. The Company is contesting the same before CESTAT and Supreme Court simultaneously and has been legally advised that no duty is payable on the same intermediate product.
As against above demands the Company has deposited Rs.2,250,000/- under protest.
- 3) The Company has deposited Rs. 928,760/- under protest against the demands for Municipal Tax.
- 4) As against the demands for non-fulfilment of Export Obligation under DEEC Scheme, Rs.11,118,251/- has been deposited under protest and disclosed under Export Entitlements as Other Non-Current Assets.
- 5) The Contingent Liabilities representing dues to various Government Authorities as stated in (c) above, have been arrived at after considering the reliefs granted by BIFR vide its Order dated 10.06.2010.
- 6) A sum amounting to Rs.15,847,644/- has been paid as advance in respect of above contracts remaining to be executed on Capital Account and not provided for.

	2014-15		2013-14	
	Rs.	Rs.	Rs.	Rs.
NOTE : 29 Additional Information				
1. a) Depreciation and Amortization Expense				
Tangible Assets		61,323,363		62,386,079
Intangible Assets		5,424,377		4,443,724
Total		<u>66,747,740</u>		<u>66,829,803</u>
b) Items of Income or Expenditure which exceeds 1% of the revenue from operations or Rs. 1,00,000/- which ever is higher.				
i) Income :				
Sundry Balances Written Back		135,236		-
Miscellaneous Income				
Miscellaneous Receipts	1,557,978		442,902	
Repair & Servicing (Net)	253,700		1,111,170	
Previous Year Adjustment	<u>2,130,460</u>	3,942,138	-	1,554,072
Doubtful Debt Written Back		3,449,073		-
Sale Tax Refund for Earlier Years		-		-
Profit on sales of tangible assets		-		-
Total		<u>7,391,211</u>		<u>1,554,072</u>
b) Payments to Auditors				
Audit Fees		175,000		175,000
Taxation Matter		100,000		100,000
Company Law Matters		-		-
Other Services		80,000		40,000
Reimbursement of Expenses		-		-
Total		<u>355,000</u>		<u>315,000</u>

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	2014-15		2013-14	
	Rs.	Rs.	Rs.	Rs.
c) Prior Period Items				
Contribution to Gratuity Fund		-		540,698
Legal & Professional Fees		653,078		1,993,137
Claims Settled		-		-
Vehicle Expenses		-		12,452
Car Hire Charges		-		162,544
Membership Fees		216,000		162,638
Rates & Taxes		200,144		466,992
Travelling expense		48,415		
Repairs & Maintenance		100,000		
DEPB License		-		-
Others		527,455		325,210
Total		<u>1,745,092</u>		<u>3,663,671</u>

	2014-15		2013-14	
	Qty (Kg)	Value	Qty (Kg)	Value
2. a) Raw Material Consumption				
i) Copper & Copper Alloy Wire	137,224	59,236,143	150,066	66,280,678
ii) Trivera Wire	191,644	144,578,726	181,959	169,108,259
iii) Stainless Steel Wire	145,962	58,726,251	160,328	65,933,903
iv) Strips	7,901	4,811,599	8,244	5,276,874
v) Non-Ferrous	2,677	1,773,634	13,116	11,143,402
vi) Others	7,577	9,875,405	8,486	7,547,427
Total	<u>492,985</u>	<u>279,001,759</u>	<u>522,199</u>	<u>325,290,542</u>

3. Work In Progress				
i) Wire		24,321,578		9,668,964
ii) Brass		6,836,353		6,095,066
iii) Cloth		24,291,482		40,918,543
iv) Synthetic cloth Sqm		88,579,010		76,339,065
v) Dandy Bracket		1,922,522		2,095,296
vi) Others		1,476,697		2,371,082
Total		<u>147,427,642</u>		<u>137,488,016</u>

4. a) The aggregate, if material, of any amounts set aside to provisions made for meeting specific liabilities, contingencies or commitments.				
Liabilities		-		-
Contingencies		350,000		350,000
Commitments		-		-
Total		<u>350,000</u>		<u>350,000</u>

Note: The above contingencies Rs.350,000/- (Previous Year Rs.350,000/-) is dependent upon Court decision/out of Court Settlement /disposal of appeals, etc.

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	2014-15		2013-14	
	Qty (Kg)	Value	Qty (Kg)	Value
5. a) Value of imports calculated on C.I.F basis by the company during the financial year in respect of -				
I. Raw Materials		206,547,818		250,832,333
II. Components and Spare Parts		18,624,240		24,402,877
III. Capital Goods		39,302,064		21,911,196
b) Expenditure in Foreign Currency during the financial year:				
I. Travelling		2,749,861		5,946,529
II. Commission to Selling Agent		18,349,614		19,290,166
III. Others		373,629		-
c) Total value of Imported and Indigenous materials consumed:				
I. Raw Material				
Imported		218,115,632		271,439,978
Indigenous		60,886,127		53,850,564
Total		<u>279,001,759</u>		<u>325,290,542</u>
II. Spare Parts and Components				
Imported		5,998,904		5,710,311
Indigenous		56,754,159		58,181,539
Total		<u>62,753,063</u>		<u>63,891,850</u>
d) Earnings in Foreign Exchange :				
I. Export of Goods calculated on F.O.B. Basis		209,340,777		244,490,451

30 Upto 31st March, 2014 the Compy, for the purpose of charging Depreciation on Tangible Fixed Assets, had been calculating the same at the rates prescribed in the erstwhile Schedule XIV of the Companies Act, 1956. Consequent upon the introduction of the Companies Act, 2013 with effect from 1st April, 2014 the Company has changed the method of calculating depreciation based on the estimated useful life of each Asset as specified in Schedule II of the Companies Act, 2013. Accordingly depreciation for the year amounted to Rs.70,236,604/-, (inclusive of Rs.34,888,864/- relating to Discontinued Operation), which includes Rs.9,207,832/- (inclusive of Rs.2,342,321/- relating to Discontinued Operation) pertaining to assets having no future estimated useful life. As per Schedule II, the amount of Rs.9,207,832/- should have been adjusted against Retained Earnings. In absence of any positive Retained Earnings of the Company, this amount has been disclosed as Extraordinary Item - Rs.6,865,511/- under Continuing Operation and Rs. 2,342,321/- under Discontinued Operation. Had the depreciation been calculated as per erstwhile Schedule XIV, depreciation for the year would have been Rs. 71,971,668/- (including Rs. 1,789,692/- relating to Discontinued Operation). This change in the basis of calculating depreciation has resulted in. Understatement of loss for the year by Rs. 1,735,064/-, understatement of negative balance under Reserves & Surplus as also overstatement of Net Block of Tangible Fixed Assets as on 31st March, 2015 by like amount as compared to previous year.

31 Amounts due in respect of Trade Receivable, Loans & Advance given (Non Current and Current Assets) which are considered good and amounts due to parties (under Non Current Liabilities and Trade Payable) are subject to confirmation from the respective parties.

32 Debenture Redemption Reserve has not been created in view of brought forward loss.

33 No provision for taxation has been made in the accounts in view of carry forward loss. Also Minimum Alternate Tax (MAT) provision has not been made since this is not applicable, the Company being a Sick Industrial Company.

34 Related Party Disclosures under Accounting Standard-18 :

(a) Key Management Personnel :

Mr. Sunil Kumar Khaitan

(b) Relatives of Key Management Personnel :

Mr. Vedant Khaitan (Son of Mr. Sunil Kumar Khaitan)

(c) Enterprises over which key management personnel and their relatives are able to exercise significant influence :

Shalimar Industries Limited

Anil Special Steel Industries Ltd

Details of transactions between the Company and related parties and the status of outstanding balances as on 31st March, 2015 :

Transactions with Related Parties	Enterprises over which significant Influence exists		Key Management Personnel		Relatives to Key Management Personnel		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Remuneration :								
Mr. Sunil Kumar Khaitan	-	-	4,558,452	3,708,875	-	-	4,558,452	3,708,875
Salary & Other Perquisites								
Mr. Vedant Khaitan					927,380	679,687	927,380	679,687
Balance Outstanding :								-
Inter Corporate Deposit receivable								-
Anil Special Steel Industries Ltd.	15,762,426	15,762,426	-	-	-	-	15,762,426	15,762,426
Shalimar Industries Limited	332,200	332,200	-	-	-	-	332,200	332,200
Accounts Receivable :								-
Anil Special Steel Industries Ltd.	2,702,505	2,702,505	-	-	-	-	2,702,505	2,702,505
Shalimar Industries Limited	445,451	445,451	-	-	-	-	445,451	445,451
Accounts Payables :								
Mr. Sunil Kumar Khaitan	-	-	2,916,171	2,176,171	-	-	2,916,171	2,176,171
Mr. Vedant Khaitan	-	-	-	-	49,598	59,580	49,598	59,580

- Note :**
- No amount has been written back during the year in respect of due to related parties.
 - No amount has been written off during the year in respect of due from related parties.
 - No provision for doubtful debts in respect of dues from related parties has been made.

35 The Financial Statements of the Company have been prepared on a going concern basis as the accumulated losses of the Company exceeded its net worth and the Company was declared as a Sick Industrial Company as per the Sick Industrial Companies (Special Provision) Act, 1985 by the Board of Industrial and Financial Reconstruction (BIFR) vide its Order dated 30.01.2006. The said Board has accorded its approval as conveyed vide its Order dated 10.06.2010 to the Draft Rehabilitation Scheme (DRS) submitted by the Company and which was received the Company on 24.06.2010. The effect of the above has been duly given in the financial statement.

36 Discontinued Operation :

- The Company has discontinued its Nasik Unit from 2nd July 2003 onwards.

The results of the discontinued business during the year where as under;

	For the year ended 31st March, 2015		For the year ended 31st March, 2014	
	₹	₹	₹	₹
Expenses :				
Employees Benefits		1,574,638		1,470,642
Depreciation and Amortization	3,488,864		1,561,317	
Less : Retained Depreciation	2,342,321	1,146,543	-	1,561,317
Other Expenses		5,777,577		6,037,900
Total Expenses		8,498,758		9,069,859
Loss before tax from ordinary activities		(8,498,758)		(9,069,859)
Add : Gain on disposal of assets / Excess provision of depreciation of assets written back / Settlement of liabilities attributable to Discontinuing operation.		-		181,469
Extraordinary Items		2,342,321		-
Profit / (Loss) from discontinuing operations after tax		(10,841,079)		(8,888,390)

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	For the year ended 31st March, 2015		For the year ended 31st March, 2014	
	₹	₹	₹	₹
Carrying amount of the total assets relating to discontinuing operations to be disposed off		46,222,010		49,710,874
Carrying amount of the total liabilities relating to discontinuing operations to be settled		82,927,255		84,021,972
Net cash flow attributable to the discontinued operation				
Cash inflows / (outflow) from operating activities		–		6,732,866
Cash inflows / (outflow) from investing activities		–		–
Cash inflows / (outflow) from financing activities		–		(6,732,835)

b) As per the demarger order passed by the Hon'ble Calcutta High Court long back the Company is liable to pay stamp duty under Bombay Stamp Act, 1958 for registration of its immovable properties located in Maharashtra and accordingly has made estimated provision of Rs. 210.32 lakhs on account of stamp duty. Pursuant to the said order, Rs.210.32 lakhs is receivable from Jhagadia Copper Ltd (Formerly SWIL Ltd) which will be accounted for as and when received. Also the BIFR, vide Order dated 10th June, 2010, directed "to consider to exempt Stamp Duty on transfer/sale of surplus land."

c) The above operation has been disclosed under "Strip & Wires" business segment.

37 Segment Reporting Disclosures under Accounting Standard-17 :

Based on the guiding principles given in Accounting Standard 17 'Segment Reporting', the Company's primary business segments are (a) Paper Mill Product and (b) Strip & Wire.

Segment wise Revenue, Results and Capital Employed for the year ended 31st March, 2015 :

A. Primary Segment	2014-15		2013-14	
	Rs.	Rs.	Rs.	Rs.
A.1. Segment Revenue (Gross Sales / Income from each segment)				
(a) Paper Mill Products				
i) External Revenue	949,989,368		895,617,673	
ii) Inter segment Revenue	–	949,989,368	–	895,617,673
(b) Strip & Wire				
i) External Revenue	100,194,310		109,729,353	
ii) Inter segment Revenue	–	100,194,310	–	109,729,353
(c) Others		–		–
		1,050,183,678		1,005,347,026
A.2. Segment Results [(Profit / (Loss) before Tax and interest]				
(a) Paper Mill Products		112,769,230		63,573,936
(b) Strip & Wire		(23,779,086)		(26,672,539)
(c) Others		(6,647,413)		46,536,526
Total		82,342,731		83,437,923
Less : Interest Cost		(86,203,922)		(68,655,813)
Add : Exceptional Items : Write back (Net) on account of BIFR scheme		–		–
Total Profit / (Loss) before Tax		(3,861,191)		14,782,110
A.3. Net Segment Assets				
(Segment Assets less Segment Liabilities)				
(a) Paper Mill Products	1,223,632,024	192,062,859	1,068,307,452	160,677,482
(b) Strip & Wire	119,611,272	96,397,204	117,539,437	94,713,448
(c) Unallocable liabilities less unallocable assets.	86,110,154	27,225,711	89,200,172	27,225,711
	1,429,353,450	315,685,774	1,275,047,061	282,616,641

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A. Primary Segment	2014-15		2013-14	
	Rs.	Rs.	Rs.	Rs.
	Capital Expenditure	Depreciation	Capital Expenditure	Depreciation
A.4. Capital expenditure including capital work-in-progress and depreciation	₹	₹	₹	₹
(a) Paper Mill Products	131,461,655	64,443,400	96,822,903	63,736,035
(b) Strip & Wire	-	5,793,204	-	4,655,085
(c) Others	-	-	-	-
Total	131,461,655	70,236,604	96,822,903	68,391,120

B. Secondary Segment	Paper Mill Products	Strip & Wire	Others	Total
Geographical distribution of segment revenues				
1. India	694,142,499 (686,107,430)	79,576,114 (74,749,145)	-	773,718,613 (760,856,575)
2. European Continent	-	17,810,391 (32,029,383)	-	17,810,391 (32,029,383)
3. African Continent	7,632,622 (5,327,535)	-	-	7,632,622 (5,327,535)
4. U.S.A.	349,470 (275,580)	34,643	-	384,113 (275,580)
5. Other Asian Countries	178,396,794 (203,907,128)	2,773,162 (2,950,825)	-	181,169,956 (206,857,953)
Total	880,521,385 (895,342,093)	100,194,310 (109,729,353)	-	980,715,695 (1,005,347,026)

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

38 Disclosure in terms of Accounting Stanadrd-29

- Movement for Provision for Liabilities :

Particulars	Legal Cases	
	Rs.	
Balance as at 1st April, 2014		350,000
Provided During the period		-
Amount used during the period		-
Reversed during the period		-
Balance as at 31st March, 2015		350,000
Timing of outflow/uncertainties		Outflow on settlement/ Crystallization

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

39 Employees Benefits under Accounting Standard-15 :

As per Accounting Standard - 15 " Employee Benefits", the disclosure of Employee Benefits as defined in the Accounting Standard are as follows :

a) Defined Contribution Plan :

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

Defined Contribution Plan

	2014-15 (Rs.)	2013-14 (Rs.)
Employer's Contribution to Provident Fund	11,270,720	10,268,576
Employer's Contribution to Superannuation Fund	-	-
Employer's Contribution to Employee State Insurance Scheme	1,380,073	2,824,265
Employer's Contribution to Labour Welfare Fund	13,030	9,070

b) Defined Benefit Plan :

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

Components of Employer Expense :	Gratuity		Leave Encashment			
	Funded	Unfunded	Funded			
	2014-15	2013-14	2014-15	2013-14		
Current Service Cost	3.00	2.51	27.41	23.28	8.19	21.51
Past Service Cost	-	-			-	-
Interest Cost	5.82	6.18	30.40	31.17	13.38	12.36
Expected Return on Plan Asset	(2.98)	(3.15)	(4.06)	(5.94)	-	-
Actuarial (gain)/loss recognized in the year	(1.84)	5.27	33.30	(4.44)	29.08	26.86
Expense recognized in statement of Profit & Loss Account	4.00	10.81	87.05	44.07	50.65	60.73

	Gratuity				Leave Encashment	
	Funded		Unfunded		Funded	
Change in Present Value of Defined Benefit Obligation :	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Present Value of Defined Benefit Obligation at the beginning of the year	72.69	77.20	366.56	326.20	158.22	122.42
Interest Cost	5.82	6.18	30.40	31.17	13.38	12.36
Past Service Cost	-	-	-	-	-	-
Current Service Cost	3.00	2.51	27.41	23.28	8.19	21.51
Benefits paid	(5.27)	(18.47)	(63.34)	(9.52)	(34.36)	(24.93)
Actuarial (gain)/loss	(1.84)	5.27	32.38	(4.57)	29.08	26.86
Present Value of Obligation at the end of the year	74.40	72.69	393.41	366.56	174.51	158.22
	Gratuity				Leave Encashment	
	Funded		Unfunded		Funded	
Change in fair value of Plan Assets during the year ended 31st March, 2015 :	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Plan Assets at the beginning of the year	35.93	48.25	75.01	56.95	-	-
Expected Return on Plan Assets	2.98	3.15	4.06	5.94	-	-
Actual Company Contribution	4.82	3.00	12.00	21.77	34.36	22.63
Benefits Paid	(5.27)	(18.47)	(63.34)	(9.52)	(34.36)	(22.63)
Actuarial (gain)/loss	-	-	(0.92)	(0.13)	-	-
Plan Assets at the end of the year	38.46	35.93	26.81	75.01	-	-
	Gratuity				Leave Encashment	
	Funded		Unfunded		Funded	
Net Asset/(Liability) recognized in the Balance Sheet as at 31st March, 2015 :	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Present value of Defined Benefit Obligation	74.40	72.69	393.41	366.56	174.51	158.22
Fair Value on Plan Assets	(38.46)	(35.92)	26.81	75.01	-	-
Funded Status [Surplus/(Deficit)]	-	-	(366.60)	(291.55)	(174.51)	(158.22)
Net Asset/(Liability) recognized in Balance Sheet	35.94	36.77	(366.60)	(291.55)	(174.51)	(158.22)
	Gratuity				Leave Encashment	
	Funded		Unfunded		Funded	
Actuarial Assumptions :	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Discount Rate (per annum)	-	-	8%	8.25%	8%/7.75%	8.25%/9.25%
Expected rate of return on Plan Assets (per annum)	-	-	N.A.	N.A.	N.A.	N.A.
Salary increases	-	-	5%	5%	5%/7%	5%/7%
Retirement / Superannuation age	-	-	58 years	58 years	58 years	58 years
Mortality	-	-	Indian Assured	Indian Assured	Indian Assured	Indian Assured
			Lives (2006-08)	Lives (2006-08)	Lives (2006-08)	Lives (2006-08)
			Ultimate Mortality Rates.	Ultimate Mortality Rates.	Ultimate Mortality Rates.	Ultimate Mortality Rates.
	Gratuity				Leave Encashment	
	Funded		Unfunded		Funded	
Major Category of Plan Assets as a % of the Total Plan Assets as at year end:	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
	-	-	N.A.	N.A.	-	-

	Gratuity				Leave Encashment	
	Funded		Unfunded		Funded	
	13-14	12-13	13-14	12-13	13-14	12-13
Experience Adjustments:						
Defined Benefit Obligation	-	-	393.41	366.56	174.51	158.22
Plan Assets	-	-	26.81	75.01	-	-
Funded Status	-	-	(366.60)	(291.55)	(174.51)	(158.22)
Experience Gain/(Loss) adjustments on Plan Liabilities	-	-	32.38	(4.57)	29.08	26.86
Experience Gain/(Loss) adjustments on Plan Assets	-	-	(0.92)	(0.13)	-	-
Expected Employer's Contribution for the next year :	Gratuity				Leave Encashment	
	Funded		Unfunded		Funded	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Expected Employer's Contribution for the next year	-	-	95.67	91.92	29.28	68.02

c) Basis used to determine the expected Rate of return on Plan Assets :

The basis used to determine the expected rate of return on Plan Assets is Deep Discount Interest rate of R.B.I. or average interest rate of R.B.I. Long Term Instrument.

d) Other disclosures :

- The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.
- The Gratuity expenses have been recognized in "Contribution To Provident & Other Funds" and Leave Encashment in "Salaries/Wages and Bonus" under Note No -24
- The amount of the present value of obligations, fair value of Plan Assets, surplus/deficit in the plan and experience adjustment arising on plan liabilities and plan assets for the previous three annual periods are not available and therefore, not disclosed.

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

40 Earning Per Shares :

	2014-2015 (Rs.)	2013-2014 (Rs.)
a) Net Profit/(Loss) after tax available for equity shareholders	(3,861,191)	14,782,110
b) Weighted average number of Basic Equity Shares of ₹ 2/- each outstanding during the year. (No. of shares)	37,605,123	37,605,123
c) Weighted average number of Diluted Equity Shares of ₹ 2/- each outstanding during the year. (No. of shares)	37,605,123	37,605,123
d) Basic Earning Per Shares (Rs) a/b	(0.10)	0.39
e) Diluted Earning Per Shares (Rs) a/c	(0.10)	0.39

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

As per our report of even date.

For **S. S. KOTHARI & CO.**

Chartered Accountants

FR NO. 302034E

CA P. K. Bhattacharya

Partner

Membership No.015899

Kolkata 27th May, 2015

Sunil Khaitan

Managing Director

Dipak Dasgupta

Director

S. J. Sengupta

Sr V.P.& CFO

S. K. Kejriwal

Company Secretary

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