

Board of Directors

Chairman & Managing Director

SUNIL KHAITAN

Directors

MANASH CHAKRABORTY (Nominee Director representing ARCIL)

DIPAK DASGUPTA

SURABHI SANGANERIA

Executives

D. KHAITAN – President
Paper Machine Wire Unit (Nashik)
S. J. SENGUPTA – President & Chief Financial Officer
S. K. KEJRIWAL – Vice President
(Corporate Affairs) & Company Secretary

Solicitors

Khaitan & Co.
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

CONTENTS

Directors' Report 02 Management Discussion & Analysis 08 Corporate Governance Report 10
Independent Auditors' Report 37 Balance Sheet 46 Statement of Profit & Loss 47
Cash Flow Statement 48 Notes to the Financial Statement 50

SHALIMAR WIRES INDUSTRIES LIMITED

DIRECTOR'S REPORT

To the Members

Your Directors have pleasure in presenting the 21st Annual Report on the working of the Company together with the audited accounts for the year ended 31st March, 2017.

FINANCIAL RESULTS

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

Particulars	2016-17	2015-16
	(Rs. In lacs)	(Rs. In lacs)
Revenue from Operations (Net)	10216.08	9601.50
Other Income	445.83	151.22
Total Revenue	10661.91	9752.72
Less : Total Expenses	9110.59	8374.56
Profit before Finance Cost and Depreciation	1551.32	1405.16
Less : Finance Cost	731.82	800.74
Depreciation and Amortization Expense	632.54	593.80
Profit before exceptional/extra-ordinary items	186.96	10.62
Add : Exceptional Items	1990.30	-
Less : Extraordinary items	-	-
Profit before Tax	2177.26	10.62
Add : Deferred Tax	-	-
Profit for the year from continuing operation	2177.26	10.62
Profit/(Loss) from discontinuing operation	-	(33.72)
Profit for the year	2177.26	(23.10)

OPERATIONAL REVIEW

During the year under review, your Company has crossed Rs. 100 crores mark and its total revenue was Rs. 10661.91 lacs as compared to Rs. 9752.50 lacs in the previous year. The operating surplus (profit before finance cost and depreciation) of the Company was Rs.1551.32 lacs as compared to Rs. 1405.16 lacs in the previous year. The Company has shown net profit of Rs.186.96 lacs as against profit of Rs.10.32 lacs in the previous year. During the year, the Company has shown profit of Rs.1990.30 lacs as exceptional item on account of sale of its idle assets and total profit for the year is Rs. 2177.26 as against loss of Rs. 23.10 in the previous year. There is no change in nature of business of the Company during the year under review.

DIVIDEND

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

EXPORT

The Company's export turnover was Rs. 2305.12 lacs during the year under review, as compared to Rs. 2069.53 lacs in the previous year.

DEPOSITS

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

REHABILITATION SCHEME

The Govt. of India vide its notification dated 25th November, 2016 have notified Sick Industrial Companies (Special Provision) Repeal Act, 2013 by enforcing section 4(b) of the Act (as amended vide Schedule VIII of Insolvency and Bankruptcy Code, 2016). In view of such Repeal Act, the Sick Industrial Companies (Special Provision) Act, 1985 stands repealed and Board for Industrial and Financial Reconstruction (BIFR) and

Appellate Authority for Industrial and Financial Reconstruction (AAIFR) stand dissolved w.e.f. 1st December, 2016. Further, National Company Law Tribunal (NCLT) and the National Company Law Appellate Tribunal (NCLAT) have been constituted by Central Government with effect from 1st June, 2016 who shall take up the matter pending before erstwhile BIFR and AAIFR. The Company is exploring various options available to the Company for settlement/restructuring of debts of its secured lenders including settlement/restructuring of Financial Creditors through NCLT by submission of an appropriate Resolution Plan and also release of Rs. 26 Cr. lying in "No Lien Account" of SBI on account of sale of surplus assets of the Company during the period 2015-16 and 2016-17.

TRANSFER TO INVESTORS' EDUCATION AND PROTECTION FUND

In terms of exemption granted by erstwhile Board for Industrial and Financial Reconstruction (BIFR) vide its order dated 10th June, 2010, the Company has been making payment to the debentureholders under public category as and when debenture certificates were surrendered by them with the Company. On this basis of legal opinion obtained, your Company is continuing to make payment to the debentureholders under public category as and when debenture certificates are surrendered to the company.

DIRECTORS

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.

During the year, Mr. Probir Roy (DIN: 00033045), Mr. Dipak Rudra (DIN: 00240145) and Ms. Sunanda Lahiri (DIN: 00451473) resigned on 6th January, 2017, 6th March, 2017 and 24th March, 2017 respectively from the Board of Directors of the Company. The Board places on record its deep appreciation of the valuable services rendered by Mr. Probir Roy, Mr. Dipak Rudra and Ms. Sunanda Lahiri during their tenure as Directors of the company.

The Board appointed Ms. Surabhi Sanganeria (DIN 06987772) as Additional Director on 16th May, 2017 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 financial and secretarial matter, the Board recommend the appointment of Ms. Surabhi Sanganeria 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 2022.

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

Mr. Sunil Khaitan has been re-appointed as Chairman and Managing Director of the Company by the Board for a period of 3 years w.e.f 1st April, 2017 in terms of Section 196, 197 and 203 read with Schedule V of the Companies Act, 2013, whose period of office shall be liable to retirement of directors by rotation.

Brief particulars of the said directors have been given in the Notice convening the ensuing annual general meeting and your Board recommends appointment/re-appointment as set out in the Notice.

STATUTORY AUDITORS

In terms of Section 139(2) of the Companies Act, 2013, M/s. S. S. Kothari & Co., Chartered Accountants, existing Statutory Auditors of the Company have completed their tenure of two terms of five consecutive years at the commencement of the Act on 1st April, 2014 and an additional period of 3 years as stipulated under third proviso of Section 139(2) read with Rule 6 of the Companies (Audit and Auditors) Rules, 2014. Accordingly, they will vacate the office at the conclusion of the forthcoming Annual General Meeting of the Company.

In view of above, the Company is proposing to appoint M/s. Khandelwal Ray & Co. Chartered Accountants, Kolkata (Regn. No. 302035E) as the Statutory Auditors for a period of 5 years commencing from the conclusion of the 21st Annual General Meeting till the conclusion of the 26th Annual General Meeting. M/s. Khandelwal

Ray & Co. have given their consent to the said appointment and confirmed that their appointment, if made, would be within the limits mentioned under Section 141(3) (g) of the Act.

The Audit Committee and the Board of Directors of the Company recommend the appointment of M/s. Khandelwal Ray & Co. Chartered Accountants, as Statutory Auditors of the Company for a period of 5 years commencing from the conclusion of the 21st Annual General Meeting till the conclusion of the 26th Annual General Meeting.

The Board places on record its appreciation for the contribution of M/s. S. S. Kothari & Co., Chartered Accountants during their tenure as the Statutory Auditors of your Company.

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 and point wise clarification of your Directors on such qualified opinion is as under :

1. Point No. (a) regarding dissolution of BIFR and registration with NCLT, Company is exploring various options of settling the dues of secured financial creditors by adopting an acceptable Resolution plan before NCLT.
2. Point No. (b) regarding non-provision of long term and short term loans and advances, which has not been provided because these are related parties transactions.
3. Point No. (c) 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 by the Company.
4. Point No. (d) is related party transaction and has not been written off.
5. Regarding Point No. (e), your company was declared Non-Performing Asset (NPA) by IDBI since December, 2013 during pendency of Modified Rehabilitation Scheme submitted by SBI(monitoring agency) before erstwhile BIFR for restructure of all lenders dues and as such no provision of interest has been made in the Books of Accounts of the Company and the same is reported by the Auditor in their report. The amount not provided in the account as of 31.03.2017 is Rs 11.94 Cr. and the the Company is negotiating with IDBI for onetime settlement of their debts and outstanding balance of CRPS to bring in an acceptable Resolution.
6. Regarding Point no. (f), 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 matter and the amount would be reported during Resolution Plan before NCLT and the Company is hopeful of getting favourable orders from the appellate authorities in respect of such appeals.

COST AUDITORS

The Audit Committee in its meeting held on 16th May, 2017 has recommended the re-appointment of M/s. Mitra Bose & Associates, the Cost Auditor to conduct the cost audit of the company for the financial year 2017-18 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 2017-18 on the remuneration as recommended by the Board to be fixed by members in the ensuing Annual General Meeting of the Company.

The Auditors' Report are self-explanatory and therefore do not call for any further explanations/comments.

INTERNAL AUDIT

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

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company has appointed M/s. MR & Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the company for the financial year 2016-17. The report of the Secretarial Audit is annexed herewith as Annexure - III.

OTHER DISCLOSURES**CORPORATE GOVERNANCE REPORT**

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

CORPORATE SOCIAL RESPONSIBILITY (CSR)

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

DISCLOSURE OF PARTICULARS WITH REGARD TO CONSERVATION OF ENERGY ETC.

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

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

The Company has an Internal Control System based on values of integrity and operational excellence. Pursuant to the provisions of section 134(5)(e) of the Act, the

Your Company has in consultation with a reputed consultancy firm strengthened the existing financial controls of the Company. Such internal financial controls were found to be adequate for a size of the company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION

Pursuant to Section 134 of the Companies Act, 2013 there has been no material changes and commitments affecting the financial position of the Company, excepting the dissolution of BIFR from 01.12.2016 pending Registration with NCLT .

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loan, Guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 is given in the Financial Statement forming part of the Annual Report.

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

The Company is conscious of clean environment and safe operations. It ensures safety of all concerned, compliance with environmental regulations and preservation of natural resources. As required 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.

EXTRACT OF ANNUAL RETURN

The details for the financial year ended 31st March, 2017 forming part of the extract of the annual return is enclosed as Annexure - IV.

CHANGE IN SHARE CAPITAL

During the year ended 31st March, 2017, 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, 2017 is Rs. 752.10 lacs comprising of 3,76,05,123 equity shares of Rs. 2/- each.

NUMBER OF BOARD MEETINGS

The Board of Directors met four times during the year ended 31st March, 2017 i.e. on 21st May, 2016, 12th August, 2016, 10th November, 2016 and 10th February, 2017. The details of the Board meetings and the attendance of Directors are provided in the Corporate Governance Report.

COMPOSITION OF COMMITTEE OF DIRECTORS

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

RELATED PARTY TRANSACTIONS

All the related party transactions are entered on arm's length basis and are in compliance with the Companies Act, 2013 and the Listing Regulations. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc, which may have potential conflict with the interest of the Company at large. All related party transactions are presented to the Audit Committee and the Board for its approval. The related party transactions policy as approved by the Board is uploaded on Company's website: www.shalimarwires.com. Disclosure as required under Accounting Standard- 18 and in terms of point A(2) and Schedule V of the SEBI Listing Regulations, 2015 have been made in note no. 36 to the financial statements for the year ended 31st March, 2017.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

In terms of Regulation 25(7) of the SEBI Listing Regulations, 2015, your Company is required to conduct Familiarisation Programme for Independent Directors (IDs) to familiarise them about our Company including nature of industry in which your Company, roles, rights and responsibilities of IDs and any other relevant information. Further, pursuant to Regulation 46 of the SEBI Listing Regulations, 2015, your Company is required to disseminate on its website, details of familiarisation programme imparted to Independent Directors during the year. During the year under review, four familiarisation programmes were conducted during the Board meetings of the Company.

Further, the Board has open channels of communication with the executives which allows free flow of communication among Directors in terms of raising query, seeking clarifications and other related information.

KEY MANAGERIAL PERSONNEL (KMPs)

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

ANNUAL EVALUATION OF BOARD AND IT'S COMMITTEES PERFORMANCE

In compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, the performance evaluation of the Board was carried out during the Financial Year 2016-17.

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.

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.

RISK MANAGEMENT

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

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

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

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.

SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There have been no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company and its operations in future.

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
Date: 14th August, 2017

By Order of the Board
Shalimar Wires Industries Limited

Sunil Khaitan
Chairman & Managing Director
DIN-00385961

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 13 Kgs as against world's average of 57.0 Kgs., indicating great potentiality for growth at home. Besides, the real growth in Paper making activity is taking place in Asian region due to availability of Raw Material & Cheaper Workforce while the other part of the world has already come to a saturating stage. Therefore, being stationed in the developing region and with sufficient knowledge about paper making condition of Asian sub-continent, we see a great future in export potentiality for PMC products. We are also in the process of developing new PMC products to fetch more business from export market.

EDM Wires

Use of EDM machines in Tool Room Industry is gaining popularity all over the world. The situation has become challenging to the EDM wire makers with the invention of developed EDM machines and it has increased demand of specialty EDM wires happily, which are the major product of Uttarpara Plant. Similar situation prevails all over the world and with our reputation in export market with our patented products especially to the developed countries, we see a bright future for this product. 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 speciality products of Shalimar are ruling the home market. In the export front, the market in the developed countries is very large and if quality of the product is maintained consistently the product has a very bright future. We have already obtained Industrial Patent for one of our speciality products while some varieties are waiting for approval. And with increase of price of NF metal, competition has become stiffer. But, we are confident with constant improvement in process, Shalimar would be able to take up the challenge.

OUTLOOK

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

- Maintain high Quality Standards consistently.
- Create wide based product range to cater to export market.
- Modernize after-sales service.
- Improve efficiency at all stages from procurement to disposal.
- Upgrading the Old machinery.
- Develop new design of fabric.
- Implementation of ISO : 9001 : 2015, QMS

14001 : 2015, EMS

18001 : 2007, OHSAS

RISKS AND CONCERNS

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

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

INTERNAL CONTROL SYSTEM

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

HUMAN RESOURCES

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

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

The total Number of Employees employed in the Company as on 31st March, 2017 was 553.

INFORMATION TECHNOLOGY

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

HEALTH, SAFETY, SECURITY AND ENVIRONMENT

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

CAUTIONARY STATEMENT

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

CORPORATE GOVERNANCE REPORT**1. BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

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

2. BOARD OF DIRECTORS

Presently the Company has 4 (four) Directors. Out of the four Directors, one is Promoter and Executive Director (Chairman and Managing Director), one is Nominee Director and two are Non-Executive Independent Directors. Ms. Surabhi Sanganeria is Non-Executive Independent Woman Director. The composition of the Board is in conformity with SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

During the financial year ended 31st March, 2017, 4 (four) Board Meetings were held on 21.05.2016, 12.08.2016, 10.11.2016 and 10.02.2017.

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	No	NIL	NIL
Mr. Manash Chakraborty (DIN-05293875)	Nominee of ARCIL	4	Yes	NIL	NIL
Mr. Probir Roy * (DIN-00033045)	Non-executive Independent	2	No	5	1
Mr. Dipak Rudra, IAS (Retd) * (DIN-00240145)	Non-executive Independent	4	Yes	4	4
Mr.Dipak Dasgupta (DIN-01099414)	Non-executive Independent	4	No	1	NIL
Ms. Sunanda Lahiri * (DIN-00451473)	Non-executive Independent	4	Yes	5	5
Ms. Surabhi Sanganeria ** (DIN-06987772)	Non-executive Independent	N.A.	N.A.	2	2

*Mr. Probir Roy, Mr. Dipak Rudra, IAS (Retd) and Ms. Sunanda Lahiri resigned from the Board on 06/01/2017, 06/03/2017 and 24/03/2017 respectively.

** Ms. Surabhi Sanganeria was appointed as an Additional (Independent) Director w.e.f. 16/05/2017.

*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.

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 proposed to be appointed and nature of their expertise in specific functional areas and number of companies in which they hold Directorships, Memberships/ Chairmanships of Board Committees, and shareholding in the Company are provided in the notice.

Independent Director (IDs)

During the year under review, Mr. Probir Roy, Mr. Dipak Rudra, IAS (Retd) and Ms. Sunanda Lahiri resigned from the Board of the Company as Independent Director and Ms. Surabhi Sanganeria (DIN No. 06987772) was appointed as an Additional (Independent) Director of the Company to hold office for a period of 5(five) consecutive years from the conclusion of the ensuing Annual General Meeting of the Company, in accordance with provisions of the Companies Act, 2013 and subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company. All the Independent Directors of the Company furnish declaration annually as laid down under Section 149(6) of the Companies Act, 2013 and SEBI Listing Regulations, 2015. All requisite declarations were placed before the Board.

Meeting of Independent Directors (IDs)

During the year 2017, a meeting of the Independent Directors was held on 14th August, 2017.

Familiarisation Programme for Independent Directors

In terms of Regulation 25(7) of the SEBI Listing Regulations, 2015, the Company is required to conduct Familiarization Programme for Independent Directors (IDs) to familiarise them about their role, rights, responsibility in the Company, nature of industry in which the Company operates, business model of the Company etc. through various programme and any other relevant information. The details of such familiarization programme has also been uploaded on the Company's website 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 has been displayed on the website of the Company and the weblink for directors is http://www.shalimarwires.com/uploaded/518769dc32d02_CodeOfConductForBoardOfDirectors.pdf

Further weblink for Code of Conduct for senior employees is http://www.shalimarwires.com/uploaded/518773de4d121_CodeOfConductForSeniorManagement.pdf

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 Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The Committee acts as a link between the Statutory & Internal Auditors and the Board of Directors.

Brief description of Terms of Reference

- the recommendation for appointment, remuneration and terms of appointment of auditors of the company ;
- review and monitor the auditor’s independence and performance, and effectiveness of audit process;
- examination of the financial statement and the auditors’ report thereon;
- approval or any subsequent modification of transactions of the company with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- monitoring the end use of funds raised through public offers and related matters.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and as specified under section 177 of the Companies Act, 2013 and SEBI listing Regulations, 2015.

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, 2017, 4 (four) meetings of the Audit Committee were held on 21.05.2016, 12.08.2016, 10.11.2016 and 10.02.2017.

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	Ms. Sunanda Lahiri *	Member	Independent Director	4
5.	Ms. Surabhi Sanganeria **	Member	Independent Director	N.A.

*Mr. Dipak Rudra, IAS (Retd) and Ms. Sunanda Lahiri ceases to be the members of the Committee upon resignation from the Board of Directors of the Company w.e.f. 06/03/2017 and 24/03/2017 respectively and Mr. Dipak Dasgupta, member of the Committee was appointed as Chairman of the Committee w.e.f 16/05/2017.

** Ms. Surabhi Sanganeria was appointed as Member of the Committee w.e.f. 16/05/2017.

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

The Company Secretary acts as the Secretary of the Committee.

The Chairman of the Audit Committee Mr. Dipak Rudra (since resigned) attended the last Annual General Meeting held on 28th September, 2016.

B) Nomination and Remuneration Committee

In accordance with the provisions Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The terms of reference of nomination and remuneration committee includes the following:

- Identify persons who are qualified to become directors;
- Identify persons who may be appointed as key managerial personnel and in senior management positions;

- Recommended to the Board for re-appointment of directors based on performance evaluation of the retiring director;
- Annual evaluation of every director's performance;
- Formulating a remuneration policy of the Company;
- To propose remuneration packages for the Directors and Key Managerial Personnel including senior management;
- Recommending re-constitution of the Board or senior management as may be required from time to time under the prevailing laws and for operational effectiveness of the Company and other matter as specified under section 178 of the Companies Act, 2013 and SEBI listing Regulations, 2015.

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 Regulation 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

During the financial year ended 31st March, 2017, no meeting of the Nomination and Remuneration Committee was held. The composition of the Committee is as under:

Sl. No.	Name	Designation	Category	No. of meeting attended
1	Mr. Dipak Rudra*	Chairman	Independent Director	NA
2	Mr. Manash Chakraborty	Member	Nominee Director	NA
3.	Mr. Dipak Dasgupta	Member	Independent Director	NA
4	Ms. Sunanda Lahiri *	Member	Independent Director	NA
5.	Ms. Surabhi Sanganeria **	Member	Independent Director	N.A.

*Mr. Dipak Rudra, IAS (Retd) and Ms. Sunanda Lahiri ceases to be the members of the Committee upon resignation from the Board of Directors of the Company w.e.f. 06/03/2017 and 24/03/2017 respectively and Mr. Dipak Dasgupta, member of the Committee was appointed as Chairman of the Committee w.e.f 16/05/2017.

** Ms. Surabhi Sanganeria was appointed as Member of the Committee w.e.f. 16/05/2017.

The Company Secretary acts as the Secretary of the Committee.

Remuneration Policy

• Remuneration to Executive and Non-Executive Directors

Mr. Sunil Khaitan is only whole time Director who is the Chairman & Managing Director of the company and is paid remuneration in terms of the agreement executed between him and the company. Mr. Sunil Khaitan was appointed as Chairman and Managing Director for a period of 3(three) years w.e.f. 1st April, 2014 which has already expired on 31st March, 2017. The Board of Directors in its meeting held on 16th May, 2017 have reappointed Mr. Sunil Khaitan as Chairman and Managing Director for a further period of three years w.e.f. 1st April, 2017 subject to approval of the shareholders of the company in the ensuing Annual 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 for attending the Board/Committee meetings besides reimbursement of actual traveling and out of pocket expenses. Presently, the Company does not have any scheme for grant of stock options either to the directors or employees of the company.

• Remuneration of key managerial personnel (KMP) and senior managerial personnel (SMP)

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

c) Remuneration to Directors

The details of remuneration paid/payable to the Directors during the year ended on 31.03.2017 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	22,40,865#	-	44,60,865	Yes
Mr. Manash Chakraborty (Nominee Director)			72,000	72,000	Nominee
Mr. Probir Roy *			16,000	16,000	No
Mr. Dipak Rudra *			72,000	72,000	No
Mr. Dipak Dasgupta			72,000	72,000	No
Ms. Sunanda Lahiri *			72,000	72,000	No
Ms. Surabhi Sanganeria **			N.A.	N.A.	
Total	22,20,000	22,40,865	3,04,000	47,64,865	

Perquisites includes contribution to Provident Fund amounting to Rs.2,66,400/-.

*Mr. Probir Roy, Mr. Dipak Rudra, IAS (Retd) and Ms. Sunanda Lahiri resigned from the Board w.e.f. 06/01/2017, 06/03/2017 and 24/03/2017 respectively.

** Ms. Surabhi Sanganeria was appointed as an Independent Director on the Board and as member in all the committees of the Board w.e.f. 16/05/2017.

Performance Evaluation:

Pursuant to the provision of the Companies Act, 2013 and SEBI Listing Regulation, 2015, 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 Directors.

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

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

The Stakeholders Relationship Committee comprises of three directors, consisting of two independent directors and one nominee director. During the financial year ended 31st March, 2017, four meetings of the said Committee were held on 21.05.2016, 12.08.2016, 10.11.2016 and 10.02.2017 and the necessary quorum was present for all the meetings.

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

Sl. No	Name	Designation	Category	No. of meetings attended
1	Mr. Dipak Rudra *	Chairman	Independent Director	4
2	Mr. Manash Chakraborty	Member	Nominee Director	4
3	Mr. Dipak Dasgupta*	Member	Independent Director	4
4	Ms. Sunanda Lahiri *	Member	Independent Director	4
5	Ms. Surabhi Sanganeria **	Member	Independent Director	N.A.

*Mr. Dipak Rudra, IAS (Retd) and Ms. Sunanda Lahiri ceases to be the members of the Committee upon resignation from the Board of Directors of the Company w.e.f. 06/03/2017 and 24/03/2017 respectively and Mr. Dipak Dasgupta, member of the Committee was appointed as Chairman of the Committee w.e.f 16/05/2017.

** Ms. Surabhi Sanganeria was appointed as Member of the Committee w.e.f. 16/05/2017.

The Company Secretary acts as the Secretary of the Committee.

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 Regulations, 2015.

The Company confirms that there were no share transfers lying pending as on 31.03.2017 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, 2016 to March, 2017 :-

- | | | |
|--|---|-----|
| 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 (Website link:http://www.shalimarwires.com/uploaded/54dee7e71cd14_CSR%20Policy.pdf)

Composition

Sl. No	Name	Designation	Category
1	Mr. Sunil Khaitan	Chairman	Chairman and Managing Director
2	Mr. 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
6.	Ms. Surabhi Sanganeria **	Member	Independent Director

*Mr. Probir Roy and Mr. Dipak Rudra, IAS (Retd) ceases to be the members of the Committee upon resignation from the Board of Directors of the Company w.e.f. 06/01/2017 and 06/03/2017 respectively.

** Ms. Surabhi Sanganeria was appointed as Member of the Committee w.e.f. 16/05/2017

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 voluntarily 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. S.J. Sengupta	Member	President & CFO
5.	Mr. S.K. Kejriwal	Member	Company Secretary

*Mr. Dipak Rudra, IAS (Retd) ceases to be the member of the Committee upon resignation from the Board of Directors of the Company w.e.f. 06/03/2017

Role and Responsibilities of the Committee includes the following:

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

4. GENERAL BODY MEETINGS

The last three Annual General Meeting were held as under :

Financial Year	Date and Time	Venue	No. of Special Resolution
2015-2016	28th September, 2016 10.00 A.M.	Science City Mini Auditorium Kolkata	None
2014-2015	30th September, 2015 10.00 A.M.	Science City Mini Auditorium Kolkata	None
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.

In the last AGM held on 28.09.2016 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. 36 to the accounts for year under review and there is no conflict with the interest of the Company.

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

ii) Accounting Treatment :

In the preparation of the financial statement, the Company has followed the 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 SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 wherever applicable. No penalties or stricture have been imposed by SEBI, Stock Exchanges or any Statutory Authorities on matters related to Capital Markets during the last three years, except two cases of Bombay Stock Exchange for late submission of shareholding pattern by one day and quarterly compliance on Corporate Governance by two days during the year 2014-15.

iv) Vigil Mechanism/ Whistle Blower Policy:

Pursuant to Section 177(9) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. the Company has framed a Vigil Mechanism /Whistle Blower Policy 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. The policy has been uploaded in the website of the Company and the weblink is http://www.shalimarwires.com/uploaded/54dee9cadc6ff_Whistle%20Blower%20Policy.pdf

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

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

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 period when the Trading Window is closed. The Company Secretary is responsible for implementation of the Code. The Policy is available on the Company's website link http://www.shalimarwires.com/uploaded/5556cec31035a_Code_of_practice.pdf

7. POLICY AGAINST SEXUAL HARRASSMENT

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

8. CEO & CFO CERTIFICATION

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

9. 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.

8. GENERAL SHAREHOLDERS INFORMATION :

a) Annual General Meeting	
Date	22nd September, 2017
Time	10.00 A.M.
Venue	Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, Kolkata – 700 017
b) Financial Calender (tentative) for the year 2017 – 2018	1st Quarterly results on 11th August, 2017 2nd " " On or before 14th Nov, 2017 3rd " " On or before 14th Feb, 2018 4th " " On or before 15th May, 2018
c) Book Closure Date	16th September, 2017 to 22nd September, 2017 (both days inclusive)
d) Listing of Equity shares on Stock Exchanges	The Company’s shares are listed on the Stock Exchanges at:- <ul style="list-style-type: none"> • Calcutta Stock Exchange (Stock Code 100294) 7, Lyons Range, Kolkata - 700 001 • Bombay Stock exchange (Stock Code 532455) P J Towers, Dalal Street Mumbai - 400 001. The listing fees for the period 2017-2018 have been paid to both the Stock Exchanges. Demat ISIN Number in NSDL and CDSL: INE 655 D 01025

e) Market Price Data	<p>The market price data (Monthly High/Low) of the company's Equity Shares traded on BSE during the period April 2016 to March 2017 is given below. There was no trading in Calcutta stock exchange.</p> <p>BOMBAY STOCK EXCHANGE LTD.</p> <table border="1" data-bbox="564 330 1187 705"> <thead> <tr> <th>Month</th> <th>High</th> <th>Low</th> </tr> </thead> <tbody> <tr> <td>April, 16</td> <td>4.03</td> <td>3.13</td> </tr> <tr> <td>May, 16</td> <td>4.00</td> <td>3.19</td> </tr> <tr> <td>June, 16</td> <td>3.87</td> <td>3.41</td> </tr> <tr> <td>July, 16</td> <td>4.03</td> <td>3.64</td> </tr> <tr> <td>Aug, 16</td> <td>4.56</td> <td>3.50</td> </tr> <tr> <td>Sept, 16</td> <td>4.20</td> <td>3.42</td> </tr> <tr> <td>Oct, 16</td> <td>5.00</td> <td>4.14</td> </tr> <tr> <td>Nov, 16</td> <td>6.48</td> <td>4.75</td> </tr> <tr> <td>Dec, 16</td> <td>6.79</td> <td>3.63</td> </tr> <tr> <td>Jan, 17</td> <td>4.09</td> <td>3.23</td> </tr> <tr> <td>Feb, 17</td> <td>4.50</td> <td>3.07</td> </tr> <tr> <td>Mar, 17</td> <td>4.72</td> <td>4.00</td> </tr> </tbody> </table>	Month	High	Low	April, 16	4.03	3.13	May, 16	4.00	3.19	June, 16	3.87	3.41	July, 16	4.03	3.64	Aug, 16	4.56	3.50	Sept, 16	4.20	3.42	Oct, 16	5.00	4.14	Nov, 16	6.48	4.75	Dec, 16	6.79	3.63	Jan, 17	4.09	3.23	Feb, 17	4.50	3.07	Mar, 17	4.72	4.00
Month	High	Low																																						
April, 16	4.03	3.13																																						
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Jan, 17	4.09	3.23																																						
Feb, 17	4.50	3.07																																						
Mar, 17	4.72	4.00																																						
g) Registrar and Share Transfer Agent	Maheshwari Datamatics Pvt.Ltd. 23, R.N. Mukherjee Road Kolkata – 700 001.																																							
h) Share Transfer System	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.																																							
i) Distribution of shareholding & shareholding Pattern.	As attached and forms a part of annual report																																							
j) Dematerialisation of shares	<p>The shares of the Company are compulsorily traded in dematerialized form under depository system of both the National Securities Depository Ltd.(NSDL) and the Central Depository Services (India) Ltd. (CDSL).</p> <p>Company's Electronic Connectivity Registrar is Maheshwari Datamatics Pvt.Ltd., 23, R.N. Mukherjee Road, Kolkata – 700 001.</p> <p>As on 31st March, 2017, 98.61 % of the paid up share capital of the Company representing 37077131 Nos. of equity shares held in demat form with NSDL and CDSL.</p>																																							
k) Corporate Identity Number (CIN)	L74140WB1996PLC081521																																							
l) Factory location	<p>The Company's factories are located at the following places :-</p> <ol style="list-style-type: none"> 77, Netaji Subhas Road, Uttarpara, Dist.Hooghly,W.B. 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 : kejriwal@shalimarwires.com Website : http://www.shalimarwires.com
	With the Registrar: Maheshwari Datamatics Pvt.Ltd. 23 R.N. Mukherjee Road Kolkata – 700 001 Tel. Nos : (033) 2243-5029/5809, (033) 22482248 Fax : (033) 2248 4787 E-mail : mdpl@cal.vsnl.net.in

DECLARATION IN RESPECT OF COMPLIANCE WITH THE CODE OF CONDUCT

It is hereby declared that all Board Members, Key Managerial Personnel and Senior Management Personnel of the Company have affirmed compliance with Code of Conduct of the Company, for the financial year ended 31st March, 2017.

Place : Kolkata

Dated : 16th May, 2017

Sunil Khaitan

Chairman & Managing Director

APPENDIX

PATTERN OF SHAREHOLDING AS ON 31ST MARCH, 2017

Category	No. of shareholders	% of shareholders	No. of shares held	% of shareholding
Promoters/Directors & their relatives including associate companies	18	0.13	2,78,23,982	73.99
Financial Institutions/Insurance Companies/Mutual Funds & Bank	25	0.17	7,74,945	2.06
Non-resident Indians/Overseas corporate bodies.	25	0.17	12,323	0.03
Other bodies corporate	119	0.86	70,42,478	18.73
Indian Public	14,104	98.69	19,51,547	5.19
Total	14,291	100.00	3,76,05,123	100.00

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2017

No. of Equity shares held	No. of shareholders	% of shareholders	No. of shares held	% of shareholding
1-500	13850	96.92	8,14,979	2.17
501-1000	183	1.28	1,52,659	0.41
1001-5000	180	1.26	4,00,679	1.07
5001-10000	26	0.18	1,82,173	0.48
10001 and above	52	0.36	3,60,54,633	95.87
Total	14291	100.00	3,76,05,123	100.00

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 Wire Industries Limited ('the Company') for the year ended 31st March, 2017, as per the Regulations 17-27, Clause(b) to (i) of Regulation 46(2) and paragraph C,D and E of Schedule-V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (" Listing Regulations")

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliances of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purpose (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the code of ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirement of the Standard on Quality Control (SQC)1, Quality Control for Firms that perform Audits and reviews of Historical Financial Information, and other Assurance and related Services Engagements.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraph C, D and E of Schedule V of the Listing Regulations, as applicable.

We state that such compliance is neither an assurance as to the future viability of the Company nor as to 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

Place : Kolkata
Date : 16th May, 2017

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

A. Conservation of Energy

(i)	The steps taken or impact on Conservation of Energy	1. Earlier, we have installed APFC panel to increase Power factor. Due to installation of additional looms in HP side, we propose to add more number of APFC panel to compensate from HP side transformer.
		2. We have proposed to introduce Energy monitoring with real time software system which is in process.
		3. Replacement of old Transformer to eliminate core losses.
		4. Replacement of conventional tube light with LED to reduce energy consumption by around 50% of tube light.
		5. Replacement of 120,250,400 W vapour light with 50W LED flood light.
(ii)	The steps taken by the Company for utilizing alternate sources of energy	Nil
(iii)	The capital investment on energy conservation equipments	Nil

B. Technology Absorption

(i)	The efforts made towards technology absorption	a) Synthetic
		i) WISS, Long Float & 16SH. SSB, 24 coarser SSB are some new designs developed and sent to market for better life of fabric as well as for better quality of paper.
		ii) 3 looms have been installed so far to increase the productivity.
		iii) Woven Dryer Screen is being developed for high speed paper machines.
		iv) 4 Nos. of new spiral machines installed in our Link Canvas Dept. to increase productivity.
		v) Jumbo SLC developed for more life.
		vi) Installation of new heater and A5 Table with more accurate control.
		vii) New Joining machine installed to increase capacity of SLC Plant.

(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution	i)	With the development of above designs, we have been able to increase product life of highly abrasive machines and increase the scope of supply to different kind of paper machines, which ultimately leads to increase in business.
		ii)	After introducing 3 more looms in synthetic weaving, the productivity & quality of fabric produced will improve simultaneously.
		iii)	We have started manufacturing different grades of woven dryer fabrics thereby we are catering into this segment of market, which has got growing demand considering the fact of technological up-gradation of paper making process. It has been added in our produce range to cater the segment thereby increasing the business and turn-over of the company.
		iv)	After introducing four numbers of new spiral machines and four numbers of Joining machine we are able to increase our productivity with increased product range.
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- a) the details of technology imported b) the year of import c) whether the technology been fully absorbed d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof and	Nil	
(iv)	the expenditure incurred on research and development	Rs 22.64 lacs	

C. Foreign exchange earnings and outgo :

- (i) Foreign exchange earned in terms of actual inflow : Rs 2305.12 lacs
(ii) Foreign exchange outgo in terms of actual outflow :Rs 2781.70 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, 2017**

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

To,
The Members,
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, 2017 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, 2017, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - e. The Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 and other applicable regulations /guidelines/circulars as may be issued by SEBI from time to time to the extent applicable

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

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (b) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (e) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings

Having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, we further report that the Company has complied with the following laws applicable specifically to the Company:

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

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

- (i) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and Calcutta Stock Exchange.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to filing of Form MGT 14 for approval of Directors Report as required pursuant to Section 117(3) of the Companies Act 2013, however, MGT 14 for approval of financial statements for the Financial year ended 31.03.2016 had been filed.

We further report that

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

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

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

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

We further report that during the audit period the company the Company was under BIFR and upon dissolution of BIFR and repeal of SICA Act, 1985, the Company is in the process of filing necessary application before NCLT for its rehabilitation.

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

For **MR & Associates**
Company Secretaries

[M R Goenka]
Partner

Place : Kolkata
Date : 14th August, 2017

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, 2017)

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

Place : Kolkata
Date : 14th August, 2017

FCS No.:4515
C P No.:2551

FORM NO. MGT-9

Extract of annual return as on the financial year ended on 31st March, 2017

[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 Phone : 033-2234-9308/09/10 Fax : 033-2211-6880 Email : secretarial@shalimarwires.com Website : www.shalimarwires.com
vi)	Whether listed company or not	YES
vii)	Name, Address and contact details of Registrar and Transfer Agent, if any	Maheshwari Datamatics Private Limited 23, R.N. Mukherjee Road (5th Floor), Kolkata-700 001 Phone : 033-22482248, 2243-5029 Fax : 033-22484787 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 Forming Fabric	3548	66%
2.	Metal Fourdrinier Wire Cloth	3313	20%
3.	EDM Wire	3333	11%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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

SHALIMAR WIRES INDUSTRIES LIMITED

IV. i) 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 01/Apr/2016]				No of Shares held at the end of the year [As on 31/Mar/2017]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	12696169	0	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									
f) Any other									
Sub-total (A)(1)	27823982	0	27823982	73.9899	27823982	0	27823982	73.9899	0.0000
(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks/Fi									
e) Any other									
Sub-total (A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	27823982	0	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	425	12765	13190	0.0351	0.0001
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies	763576	0	763576	2.0305	761076	0	761076	2.0239	-0.0066
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Alternate Investment Funds									
Foreign Portfolio Investors									
Provident Funds / Pension Funds									
Qualified Foreign Investor									
Sub-total(B)(1):-	763976	13444	777420	2.0673	761501	13444	774945	2.0608	-0.0065

2. Non-Institutions									
a) Bodies Corp.									
i) Indian	7027481	14997	7042478	18.7274	7027329	14997	7042326	18.7270	-0.0004
ii) Overseas	0	27	27	0.0001	0	27	27	0.0001	0.0000
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1247614	499315	1746929	4.6455	1247194	491785	1738979	4.6243	-0.0212
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	179648	0	179648	0.4777	179648	0	179648	0.4777	0.0000
c) Others (Specify)									
Non Resident Indians	12099	209	12308	0.0327	12087	209	12296	0.0327	0.0000
Qualified Foreign Investor									
Custodian of Enemy Property									
Foreign Nationals									
Clearing Members	22306	0	22306	0.0593	32845	0	32845	0.0873	0.0280
Trusts	0	0	0	0.0000	50	0	50	0.0001	0.0001
Foreign Bodies-D R									
Foreign Portfolio Investors									
NBFCs registered with RBI	25	0	25	0.0001	25	0	25	0.0001	0.0000
Employee Trusts									
Domestic Corporate Unclaimed Shares Account									
Investor Education and Protection Fund Authority									
Sub-total(B)(2):-	8489173	514548	9003721	23.9428	8499178	507018	9006196	23.9493	0.0065
Total Public Shareholding (B)=(B)(1)+ (B)(2)	9253149	527992	9781141	26.0101	9260679	520462	9781141	26.0101	0.0000
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	37077131	527992	37605123	100.0000	37084661	520462	37605123	100.0000	0.0000

ii) Shareholding of Promoters-

Sl No	Shareholder's Name	Shareholding at the beginning of the year [As on 01/Apr/2016]			Shareholding at the end of the year [As on 31/Mar/2017]			% 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	100	10118900	26.9083	100	0.0000
2	RELIANCE SHEET WORKS PVT LTD	7251481	19.2832	100	7251481	19.2832	100	0.0000
3	AMIT COMMERCIAL CO LTD	7230132	19.2265	100	7230132	19.2265	100	0.0000
4	VEDANT KHAITAN	1000408	2.6603	100	1000408	2.6603	100	0.0000
5	UMAESH KUMAR KHAITAN	306074	0.8139	100	306074	0.8139	100	0.0000

SHALIMAR WIRES INDUSTRIES LIMITED

6	SUMANGLA INVESMENT COMPANY LTD	280992	0.7472	100	280992	0.7472	100	0.0000
7	SUNIL KUMAR KHAITAN	274662	0.7304	100	274662	0.7304	100	0.0000
8	SUDHIR KUMAR KHAITAN	274461	0.7299	100	274461	0.7299	100	0.0000
9	ANIL KUMAR KHAITAN	233450	0.6208	100	233450	0.6208	100	0.0000
10	ESQUIRE ENGINEERING LTD	161547	0.4296	100	161547	0.4296	100	0.0000
11	SARITA KHAITAN	159915	0.4252	100	159915	0.4252	100	0.0000
12	RASHMI KHAITAN	118640	0.3155	100	118640	0.3155	100	0.0000
13	SHALIMAR HOLDINGS LTD	112343	0.2987	100	112343	0.2987	100	0.0000
14	SITA DEVI KHAITAN	88512	0.2354	100	88512	0.2354	100	0.0000
15	SAM TUL INVESTMENTS LTD	87328	0.2322	100	87328	0.2322	100	0.0000
16	SASHI PRABHA KHAITAN	67193	0.1787	100	67193	0.1787	100	0.0000
17	KAVITA KHAITAN	53954	0.1435	100	53954	0.1435	100	0.0000
18	AGRO CHEMICALS AND FERTILIZERS LTD	3990	0.0106	100	3990	0.0106	100	0.0000
	TOTAL	27823982	73.9899	100	27823982	73.9899	100	0.0000

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

Sl. No.	Name	Shareholding at the beginning [01/Apr/16]/end of the year [31/Mar/17]		Cumulative Shareholding during the year [01/Apr/16 to 31/Mar/17]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ESQUIRE ENGINEERING LTD				
	01-04-2016	161547	0.4296		
	31-03-2017	161547	0.4296	161547	0.4296
2	RELIANCE SHEET WORKS PVT LTD				
	01-04-2016	7251481	19.2832		
	31-03-2017	7251481	19.2832	7251481	19.2832
3	SAM TUL INVESTMENTS LTD				
	01-04-2016	87328	0.2322		
	31-03-2017	87328	0.2322	87328	0.2322
4	SHALIMAR HOLDINGS LTD				
	01-04-2016	112343	0.2987		
	31-03-2017	112343	0.2987	112343	0.2987
5	AMIT COMMERCIAL CO LTD				
	01-04-2016	7230132	19.2265		
	31-03-2017	7230132	19.2265	7230132	19.2265
6	AGRO CHEMICALS AND FERTILIZERS LTD				
	01-04-2016	3990	0.0106		
	31-03-2017	3990	0.0106	3990	0.0106
7	SUMANGLA INVESMENT COMPANY LTD				
	01-04-2016	280992	0.7472		
	31-03-2017	280992	0.7472	280992	0.7472

8	SUNIL KUMAR KHAITAN				
	01-04-2016	274662	0.7304		
	31-03-2017	274662	0.7304	274662	0.7304
9	ANIL KUMAR KHAITAN				
	01-04-2016	233450	0.6208		
	31-03-2017	233450	0.6208	233450	0.6208
10	RASHMI KHAITAN				
	01-04-2016	118640	0.3155		
	31-03-2017	118640	0.3155	118640	0.3155
11	SUDHIR KUMAR KHAITAN				
	01-04-2016	274461	0.7299		
	31-03-2017	274461	0.7299	274461	0.7299
12	UMAESH KUMAR KHAITAN				
	01-04-2016	306074	0.8139		
	31-03-2017	306074	0.8139	306074	0.8139
13	SARITA KHAITAN				
	01-04-2016	159915	0.4252		
	31-03-2017	159915	0.4252	159915	0.4252
14	SUNITA KHAITAN				
	01-04-2016	10118900	26.9083		
	31-03-2017	10118900	26.9083	10118900	26.9083
15	SITA DEVI KHAITAN				
	01-04-2016	88512	0.2354		
	31-03-2017	88512	0.2354	88512	0.2354
16	KAVITA KHAITAN				
	01-04-2016	53954	0.1435		
	31-03-2017	53954	0.1435	53954	0.1435
17	VEDANT KHAITAN				
	01-04-2016	1000408	2.6603		
	31-03-2017	1000408	2.6603	1000408	2.6603
18	SASHI PRABHA KHAITAN				
	01-04-2016	67193	0.1787		
	31-03-2017	67193	0.1787	67193	0.1787

SHALIMAR WIRES INDUSTRIES LIMITED

iv) Shareholding Pattern of top ten Shareholders

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

SI No	Name	Shareholding at the beginning [01/Apr/16]/end of the year [31/Mar/17]		Cumulative Shareholding during the year [01/Apr/16 to 31/Mar/17]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ADROIT TRADLINK PRIVATE LIMITED				
	01-04-2016	158549	0.4216		
	31-03-2017	158549	0.4216	158549	0.4216
2	LIFE INSURANCE CORPORATION OF INDIA				
	01-04-2016	671950	1.7869		
	31-03-2017	671950	1.7869	671950	1.7869
3	RAJPUTANA INVESTMENT SOCIETY PRIVATE LIMITED				
	01-04-2016	172324	0.4582		
	31-03-2017	172324	0.4582	172324	0.4582
4	THE ORIENTAL INSURANCE COMPANY LIMITED				
	01-04-2016	91526	0.2434		
	29/04/2016 - Transfer	-1000	0.0027	90526	0.2407
	06/05/2016 - Transfer	-1500	0.0040	89026	0.2367
	31-03-2017	89026	0.2367	89026	0.2367
5	FOUNTAIN VANIJYA PRIVATE LIMITED				
	01-04-2016	100000	0.2659		
	31-03-2017	100000	0.2659	100000	0.2659
6	MAGADH TRADERS LTD				
	01-04-2016	104245	0.2772		
	31-03-2017	104245	0.2772	104245	0.2772
7	MANGLAM INDIA LIMITED				
	01-04-2016	165702	0.4406		
	31-03-2017	165702	0.4406	165702	0.4406
8	DHM TRADING PVT LTD				
	01-04-2016	102964	0.2738		
	31-03-2017	102964	0.2738	102964	0.2738
9	ASSET RECONSTRUCTION COMPANY (INDIA) LTD.(TRUST HOLDINGS)				
	01-04-2016	5950000	15.8223		
	31-03-2017	5950000	15.8223	5950000	15.8223
10	MANOJ AGARWAL				
	01-04-2016	114645	0.3049		
	31-03-2017	114645	0.3049	114645	0.3049

v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name	Shareholding at the beginning [01/Apr/16]/ end of the year [31/Mar/17]		Cumulative Shareholding during the year [01/Apr/16 to 31/Mar/17]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	SUNIL KUMAR KHAITAN				
	01-04-2016	274662	0.7304		
	31-03-2017	274662	0.7304	274662	0.7304

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total (Rs. in lacs)
Indebtedness at the beginning of the financial year (1st April,2016)				
i) Principal Amount	6804	1760	-	8564
ii) Interest due but not paid	17659	-	-	17659
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	24463	1760	-	26223
Change in indebtedness during the financial year				
Addition (PRIN+INT)	878	918	-	1796
Reduction (PRIN)	1240	827	-	2067
Net change	-362	91	-	-271
Indebtedness at the end of the financial year (31st March,2017)				
i) Principal Amount	6433	1851	-	8284
ii) Interest due but not paid	17668	-	-	17668
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	24101	1851	-	25952

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	19.74	19.74
	(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 - as % of profit - others, specify...	NIL	NIL
5.	Others, please specify		
	Total (A)	41.94	41.94
	Ceiling as per the Act	42.00	42.00

**Excluding Provident Fund contribution of Rs. 2.66 lacs*

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount (Rs.in Lacs)
		Mr. Dipak Rudra	Mr. Probir Roy	Mr. Dipak Dasgupta	Ms. Sunanda Lahiri	
1.	Independent Directors					
	• Fee for attending board/ committee meetings	0.72	0.16	0.72	0.72	2.32
	• Commission	NIL	NIL	NIL	NIL	-
	• Others, please specify	NIL	NIL	NIL	NIL	-
	Total (1)	0.72	0.16	0.72	0.72	2.32
2.	Other Non-Executive Directors	Mr. Manash Chakraborty (Nominee of ARCIL)				
	Fee for attending board committee meet	0.72				0.72
	Commission	-				-
	Others, please specify	-				-
	Total (2)					0.72
	Total (B)=(1+2)					3.04
	Total Managerial Remuneration					44.98
	Overall Ceiling as per the Act	All the independent and non-executive 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	12.25	8.37	20.62
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	10.35	7.19	17.54
	(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 - as % of profit - others, specify...	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL
	Total	22.60	15.56	38.16

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	---	NONE	---	
Punishment	NIL	---	NONE	---	
Compounding	NIL	---	NONE	---	
B. DIRECTORS					
Penalty	NIL	---	NONE	---	
Punishment	NIL	---	NONE	---	
Compounding	NIL	---	NONE	---	
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	---	NONE	---	
Punishment	NIL	---	NONE	---	
Compounding	NIL	---	NONE	---	

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	1:50
(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	2.07%
	Mr. S.K. Kejriwal, Company Secretary	2.63%
(iii)	The percentage increase in the median remuneration of employees in the financial year :	2.53%
(iv)	The number of permanent employees on the rolls of company : (as on 31st March, 2017)	553
(v)	The explanation on the relationship between average increase in remuneration and company performance :	
	The Company's operating profits increased by 10.40% and 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 2.53 %.	
(vi)	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 2.53% in respect of all the employees except managerial personnel and there are no exceptional circumstances for increase in managerial remuneration.	
(vii)	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.	
(viii)	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, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the Significant Accounting Policies and other explanatory information.

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. 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) In view of dissolution of the Board for Industrial & Financial Reconstruction (BIFR) with effect from 1st December, 2016, present status of the matters which had been pending before the BIFR particularly with regard to the Company's repayment schedules of debts are not presently ascertainable, except in respect of ARCIL. However the Company continues to maintain same status quo in respect of the repayment schedules and follow same principles of accounting as followed earlier as the Company is in the process registering with the National Company Law Tribunal (NCLT) with a suitable Resolution Scheme, in continuation with the earlier sanctioned/proposed revival plans by the BIFR.

- (b) 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 Footnote- (i) of Note No.14 & Note No-19)
- (c) No provision has been made for Claims Receivable remaining outstanding for long, amounting to Rs. 2,697,618. (Refer Note No. 15)
- (d) No provision has been made for Trade Receivables, remaining outstanding for long, amounting to Rs.11,786,175. (Refer Note No. 17)
- (e) No provision has been made for Interest on Debentures and Interest on Term Loan payable to IDBI for Rs. 45,156,396 and Rs.74,200,898 respectively due to reasons stated in Footnote No (b) (iii) to Note No. 4.
- (f) The Accounting Standard on Contingent Liabilities have not been fully complied with as disclosed in Footnote No. 2 to 4 of Note No. 29, the quantum of non-provision in respect whereof is not ascertained pending settlement / disposal of disputes.
- (g) Non-provision of Items indicated in (a) to (f) above constitute a departure from the Accounting Standards referred to in Section 133 of the Act. Without considering Item Nos. (a) & (f) 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 Profit for the year would have decreased by Rs. 190,553,460
 - (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. 2,697,618
 - (iv) Trade Receivables would have decreased by Rs. 11,786,175
 - (vi) Other Current Liabilities would have increased by Rs. 119,357,294 and
 - (vii) The Shareholders' Fund would have been lower by Rs. 190,553,460

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 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, 2017 and its profit 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. 29 to the financial statements, which describe the uncertainty related to the outcome of the lawsuits indicated therein.
2. Note No. 37 in the financial statements which indicates that the Company has accumulated losses and its net worth has been fully eroded 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 although the Company incurred net loss in earlier years, during the year the Company earned net profit. In view of above, 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, 2016 ("the Order") issued by the Central Government in terms of Sub-section (11) of Section 143 of the Act, we enclose in the **Annexure – A** a statement on the matters specified in the said Order, to the extent applicable to the Company.

- ii) As required by Section 143(3) of the Act, 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, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, in our opinion, the Balance Sheet, the Statement of Profit and Loss and the 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, 2017 taken on record by the Board of Directors, none of the Director is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
 - h) With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure – B.
- i) With respect to the other matters to be included in the Auditor’s Report in accordance with amended Rule 11 of the Companies (Audit and Auditors) Rules, 2014, read with Rule 11(d) of the Companies (Audit and Auditors) Amendment Rules, 2017, 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. 29
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable loss.
 - iii. The Order dated 10th June, 2010, of the erstwhile Board for Industrial and Financial Reconstruction, has exempted the Company from transferring any amount to the Investor Education and Protection Fund.
 - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representations we report that subject to Footnote of Note No.31 regarding denominations-wise details of the payments of non-permitted transactions in SBN currency, disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note [31].

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

Chartered Accountants

FR No. 302034E

P. K. BHATTACHARYA

Partner

(Membership No. 015899)

Place : Kolkata
Date : 16th May, 2017

Annexure – A to the Auditors’ Report

The Annexure referred to in our report to the members of Shalimar Wires Industries Limited for the year ended 31st March, 2017.

We report that :

(i) (a) Whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;	(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
(b) Whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	(b) The fixed assets have been physically verified under a phased program of physical verification. To the best of our knowledge, no material discrepancies were noticed on such verification.
(c) Whether the title deeds of immovable properties are held in the name of the company. If not, provide the details thereof;	(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties, which remain deposited with the ICICI Bank, are held in the name of the Company, subject to charges created in favour of the lenders of the Company.
(ii) Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the books of account;	(ii) The Inventories have been physically verified by the management at reasonable intervals during the year and discrepancies noticed on such physical verification, which were not material, have been properly dealt with in the books of account.
(iii) Whether the company has granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. If so,	(iii) The Company has granted Unsecured Loans to two companies covered in the register maintained under Section 189 of the Companies Act, 2013.
(a) whether the terms and conditions of the grant of such loans are not prejudicial to the company’s interest;	(a) The Company, in earlier years, had granted Unsecured Loans to two companies covered in the register maintained under Section 189 of the Companies Act, 2013 and the terms and conditions of such loans are not prejudicial to the interest of the Company
(b) whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;	(b) Receipt of principal amount and interest are not regular.
(c) if the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest;	(c) The aforesaid loans to Related Parties Rs.16,094,626 have become overdue and are doubtful of recovery. As explained to us legal action has been initiated by the Company in these regards.
(iv) In respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof.	(iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Sections 185 and 186 of the Act, with regard to loans and investments made.
(v) In case the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act,2013 and the rules framed there under, where applicable,	(v) The Company has not accepted any deposit within the meaning of Section 73 of the Companies Act.

<p>have been complied with? if not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?</p>																	
<p>(vi) Where maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained.</p>	<p>(vi) The Central Government has specified maintenance of cost records under Section 148(1) of the Companies Act, 2013 for Metal Wire Cloth manufactured by the Company. We have broadly reviewed such accounts and records and we are of the opinion that the accounts and records have been made and maintained by the Company. However, we have not made any detailed examination of such records in order to ascertain whether those are complete and accurate.</p>																
<p>(vii) (a) Whether the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated;</p>	<p>(vii) (a) According to the records, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, 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" data-bbox="665 806 1204 1003"> <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>2003-04</td> <td>0.72</td> </tr> <tr> <td>Bombay Stamp Act 1958.</td> <td>Stamp Duty and interest thereon</td> <td>2001-10</td> <td>210.32</td> </tr> </tbody> </table>	Name of Act	Nature of Dues	Years	Amount (Rs) in Lacs	CST ACT 1958	Sales Tax	2003-04	0.72	Bombay Stamp Act 1958.	Stamp Duty and interest thereon	2001-10	210.32				
Name of Act	Nature of Dues	Years	Amount (Rs) in Lacs														
CST ACT 1958	Sales Tax	2003-04	0.72														
Bombay Stamp Act 1958.	Stamp Duty and interest thereon	2001-10	210.32														
	<p>As explained to us, the Company does not have any dues in respect of Wealth Tax, Service Tax and Cess.</p>																
<p>(b) Where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute)</p>	<p>(b) The disputed statutory dues aggregating to Rs 1353.59 Lacs (inclusive of amounts not provided in financial statement) that have not been deposited on account of matters pending before appropriate authorities are as under:</p> <table border="1" data-bbox="665 1238 1204 1669"> <thead> <tr> <th>Nature of dues</th> <th>Amount (Rs in Lacs)</th> <th>Year which it relates</th> <th>Forum</th> </tr> </thead> <tbody> <tr> <td>Vat & Penalty</td> <td>0.34</td> <td>1980-81</td> <td>The Additional Commissioner of Commercial Taxes, Kolkata</td> </tr> <tr> <td>Vat ,</td> <td>0.54</td> <td>1993-94,</td> <td>The Additional Commissioner of Commercial Taxes, Kolkata</td> </tr> <tr> <td>Tax , Penalty & Interest</td> <td>1.22</td> <td>1988-89</td> <td>The West Bengal Commercial Taxes Appellate & Revision Board, Kolkata</td> </tr> </tbody> </table>	Nature of dues	Amount (Rs in Lacs)	Year which it relates	Forum	Vat & Penalty	0.34	1980-81	The Additional Commissioner of Commercial Taxes, Kolkata	Vat ,	0.54	1993-94,	The Additional Commissioner of Commercial Taxes, Kolkata	Tax , Penalty & Interest	1.22	1988-89	The West Bengal Commercial Taxes Appellate & Revision Board, Kolkata
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Tax , Penalty & Interest	1.22	1988-89	The West Bengal Commercial Taxes Appellate & Revision Board, Kolkata														

Nature of dues	Amount (Rs in Lacs)	Year which it relates	Forum
Tax & Penalty	31.92	2000-01 to 2006-07	The West Bengal Taxation Tribunal
Tax & Penalty	12.41	2011-12 2012-13	The West Bengal Commercial Taxes Appellate & Revision Board, Kolkata
CST , Interest & Penalty	165.60	1995-96 to 2012-13	The Sr.Joint Commissioner of Commercial Taxes
Central Excise Tax & Penalty	142.36	1992, 1994, 1996, 2002, 2003, 2004	Commissioner (Appeals) Central Excise, Kolkata-IV
Central Excise Tax & Penalty	52.95	2006, 2009, 2010, 2011, 2012, 2013	Commissioner (Appeals) Central Excise, Kolkata-IV
Central Excise Tax & Penalty	117.52	2014 to 2016	Commissioner (Appeals) Central Excise, Kolkata-IV
Central Excise Tax & Penalty	11.23	1989-90 2005-06	Hon'ble High Court, Mumbai
Central Excise Tax & Penalty	4.34	2003-04	Commissioner (Appeals) Nashik
Central Excise Tax & Penalty	1.73	2002-03	Commissioner (Appeals) Nashik
Central Excise Tax & Penalty	82.04	2002-03	Commissioner of Central Excise & Custom (Appeals) Nashik
Penalty of Custom Duty	475.61	2002-03	Commissioner of Export (III) (JNPT) Nashik
Penalty of Custom Duty	15.60	2002-03	Commissioner of Custom(EP) (Appeals) Mumbai
Sales Tax	0.62	1999-2002	The Asst. Commissioner, Sales Tax, Delhi
Sales Tax & Penalty	5.50	1999-00 2002-03	The Asst. Commissioner, Sales Tax, Ahmedabad
Sales Tax & Penalty	213.50	2004	The Asst. Commissioner, Sales Tax, Nasik.
Tax, Nasik Municipal Corpn.	11.69	1989-90 & 1991-92	Hon'ble High Court, Mumbai
Tax & Penalty Nasik Municipal Corpn.	6.88	2007-08 2008-09	Hon'ble High Court, Mumbai

<p>(viii) Whether the company has defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders? If yes, the period and the amount of default to be reported (in case of defaults to banks, financial institutions, and Government, lender wise details to be provided).</p>	<p>(viii) The Company has made following default in repayment of dues to Financial Institution and Debenture Holders:</p> <table border="1" data-bbox="659 272 1211 703"> <thead> <tr> <th>Financial Institution</th> <th>Amount (Rs in lacs)</th> <th>Period of default</th> </tr> </thead> <tbody> <tr> <td>Term Loan</td> <td></td> <td></td> </tr> <tr> <td>IDBI-Term Loan</td> <td>1422.30</td> <td>Sept '13 to Jan '16</td> </tr> <tr> <td>SICOM</td> <td>47.58</td> <td>Mar '10 to Mar '14</td> </tr> <tr> <td>Sale Tax Loan (Under Sales Tax Deferral Scheme)</td> <td>269.06</td> <td>Mar '10 to Mar '14</td> </tr> <tr> <td>Debenture :</td> <td></td> <td></td> </tr> <tr> <td>Non Convertible Debenture</td> <td>1062.16</td> <td>Feb '99 to Feb '01</td> </tr> <tr> <td>Finance Lease:</td> <td></td> <td></td> </tr> <tr> <td>IDBI</td> <td>131.91</td> <td>2006-07 to 2016-17</td> </tr> </tbody> </table> <p>Also Refer to Footnotes No (a) to (c) of Note No 4 and Note No 6 to Financial Statements.</p>	Financial Institution	Amount (Rs in lacs)	Period of default	Term Loan			IDBI-Term Loan	1422.30	Sept '13 to Jan '16	SICOM	47.58	Mar '10 to Mar '14	Sale Tax Loan (Under Sales Tax Deferral Scheme)	269.06	Mar '10 to Mar '14	Debenture :			Non Convertible Debenture	1062.16	Feb '99 to Feb '01	Finance Lease:			IDBI	131.91	2006-07 to 2016-17
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<p>(ix) Whether moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;</p>	<p>(ix) The Company did not raise any money by way of initial public offer of further public offer (including debt instruments) during the year. According to the information and explanations given to us, the Term Loan raised during the year had been applied for the purposes for which the same was raised.</p>																											
<p>(x) Whether any fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated;</p>	<p>(x) Based upon the audit procedure performed and the information and explanation given by the Company, we report that no fraud on or by the Company has been noticed or reported during the year that causes the financial statements materially misstated.</p>																											
<p>(xi) Whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same;</p>	<p>(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approval mandated by the provisions of Section 197 read with Schedule V of the Act.</p>																											
<p>(xii) Whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability and whether the Nidhi Company is maintaining ten per cent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;</p>	<p>(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.</p>																											
<p>(xiii) Whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;</p>	<p>(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.</p>																											

<p>(xiv) Whether the company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non-compliance;</p>	<p>(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.</p>
<p>(xv) Whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with;</p>	<p>(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.</p>
<p>(xvi) Whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.</p>	<p>(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.</p>

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

Chartered Accountants

FR No. 302034E

P. K. BHATTACHARYA

Partner

(Membership No. 015899)

Place : Kolkata

Date : 16th May, 2017

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Shalimar Wires Industries Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weakness has been identified as at 31 March, 2017 :

- a) The Company's internal control system for customer acceptance, credit evaluation and establishing customer credit limits for sales need to be strengthened adequately so as to negate the potential possibility of recognising revenue without establishing reasonable certainty of ultimate collection.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement on the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2017 Financial Statements of the Company, and the material weakness does not affect our opinion on the Financial Statements of the Company.

For S. S. KOTHARI & CO.

Chartered Accountants

FR No. 302034E

P. K. BHATTACHARYA

Partner

(Membership No. 015899)

Place : Kolkata

Date : 16th May, 2017

BALANCE SHEET AS AT 31ST MARCH, 2017

(Amount in Rs.)

PARTICULARS	Note No	BALANCE AS AT 31.03.2017		BALANCE AS AT 31.03.2016	
I. EQUITY AND LIABILITIES					
1. Shareholders' Fund					
a) Share Capital	2	36,86,45,112		36,86,45,112	
b) Reserves and Surplus	3	(1,61,11,01,065)	(1,24,24,55,953)	(1,82,88,27,195)	(1,46,01,82,083)
2. Non-Current Liabilities					
a) Long Term Borrowings	4	52,17,26,623		56,34,28,179	
b) Deferred Tax Liabilities (Net)	5	-		-	
c) Other Long Term Liabilities	6	2,66,95,727		3,73,93,794	
d) Long Term Provisions	7	5,89,28,638	60,73,50,988	6,27,76,820	66,35,98,793
4. Current Liabilities					
a) Short Term Borrowings	8	13689878		1,25,28,657	
b) Trade Payables	9	11,80,81,930		10,61,59,036	
c) Other Current Liabilities	10	2,15,09,91,634		2,15,68,00,250	
d) Short Term Provisions	11	1,42,68,366	2,29,70,31,808	89,16,445	2,28,44,04,388
Grand Total			1,66,19,26,844		1,48,78,21,098
II. ASSETS					
1. Non-Current Assets					
a) Fixed Assets	12				
i) Tangible Assets		48,25,30,423		48,76,30,358	
ii) Intangible Assets		23,65,970		57,10,222	
iii) Capital Work-in-Progress		6,20,75,437		10,16,61,785	
b) Non-Current Investments	13	1,67,468		2,05,044	
c) Long Term Loans and Advances	14	9,35,84,741		9,11,71,101	
d) Other Non-Current Assets	15	1,40,99,750	65,48,23,788	1,88,22,325	70,52,00,834
2. Current Assets					
a) Inventories	16	27,13,59,824		30,18,23,409	
b) Trade Receivables	17	40,26,87,473		39,10,67,165	
c) Cash and Cash Equivalent	18	28,35,33,869		4,23,93,458	
d) Short Term Loans and Advances	19	4,90,36,025		4,68,81,551	
e) Other Current Assets	20	4,85,864	1,00,71,03,055	4,54,680	78,26,20,263
Grand Total			1,66,19,26,844		1,48,78,21,098

Significant Accounting Policies 1
Other Disclosers 29-43

The accompanying notes 1 to 43 are an integral 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, 16th May, 2017

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, 2017

(Amount in Rs.)

PARTICULARS	Note No	2016-17		2015-16	
I. Revenue from Operations	21				
a) Sale of products			1,11,71,29,122		1,05,48,69,546
Less : Excise Duty			10,20,17,193		9,88,41,817
Net Turnover			1,01,51,11,929		95,60,27,729
b) Sale of Services			-		-
c) Other Operating Revenues			64,95,881	1,02,16,07,810	41,22,604
II. Other Income	22			4,45,82,843	1,51,21,845
III. Total Revenue (I + II)				1,06,61,90,653	97,52,72,178
IV. Expenses:					
Cost of Materials Consumed	23		28,86,15,892		27,81,45,557
Purchases of Stock in Trade			-		-
Changes in Inventories of Finished Goods, Work in Progress & Stock in Trade	24		1,40,68,791		(56,57,300)
Employees Benefits	25		23,08,67,605		22,41,00,451
Finance Cost	26		7,31,81,813		8,00,74,477
Depreciation and Amortization	30	6,32,53,600		5,93,79,687	
Less: Considered Under Extraordinary Item		-	6,32,53,600	-	5,93,79,687
Other Expenses	27		37,75,07,775		33,81,66,923
Total Expenses			1,04,74,95,476		97,42,09,795
V. Profit before exceptional and extraordinary items and tax (III - IV)				1,86,95,177	10,62,383
VI. Exceptional Items	28			(19,90,30,953)	-
VII. Profit before extraordinary items and tax. (V - VI)				21,77,26,130	10,62,383
VIII. Extraordinary Items				-	-
IX. Profit before tax (VII - VIII)				21,77,26,130	10,62,383
X. Tax Expenses:					
i) Current Tax			-		-
ii) Deferred Tax			-		-
XI. Profit (Loss) for the period from continuing operations (IX - X)				21,77,26,130	10,62,383
XII. Profit (Loss) from discontinuing operations.				-	(33,71,876)
XIII. Tax Expenses of discontinuing operations.				-	-
XIV. Profit (Loss) from discontinuing operations (after tax) (XII - XIII)				-	(33,71,876)
XV. Profit (Loss) for the period (XI - XIV)				21,77,26,130	(23,09,493)
XVI. Earnings Per Equity Share:	39				
i) Basic				5.79	(0.06)
ii) Diluted				5.79	(0.06)

Significant Accounting Policies

1

Other Disclosers

29-43

The accompanying notes 1 to 43 are an integral 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, 16th May, 2017

Sunil Khaitan

Managing Director

S. J. Sengupta

Sr V.P. & CFO

Dipak Dasgupta

Director

S. K. Kejriwal

Company Secretary

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

(Amount in Rs.)

Particulars	For the year ended 31.03.2017	for the year ended 31.03.2016
A. Cash Flow from Operating Activities :		
Net Profit (Loss) before Tax	21,77,26,130	(23,09,493)
Adjustments For :		
Depreciation and amortisation expense	6,32,53,600	6,05,26,230
(Profit) / Loss on Sale / Discard of Tangible Fixed Assets	-	1,98,308
Exceptional Items	(19,90,30,953)	-
Extraordinary Items	-	-
Interest Income	(2,61,87,174)	(31,76,025)
Net (Gain) / Loss on Sale of Investment.	-	-
Finance Cost	7,31,81,813	8,00,74,477
Sundry Balances Written Off	30,80,201	1,85,276
Unspent Liabilities Written Back	(42,15,567)	(25,13,622)
Provision for Diminution in value of Investment	37,576	1,49,684
Provision for Doubtful Debt	-	-
Debts and advances written off	91,53,958	7,27,429
Operating Profit before Working Capital Changes	13,69,99,584	13,38,62,265
Adjustments For:		
Increase/(Decrease) in Other Long Term Liabilities	(64,82,499)	(48,63,168)
Increase/(Decrease) in Long Term Provisions	(38,48,182)	1,28,15,954
Increase/(Decrease) in Short Term Provisions	53,51,921	18,67,262
Increase/(Decrease) in Trade Payables	1,19,22,894	1491474.4
Increase/(Decrease) in Other Current Liabilities	(58,08,615)	(15,76,25,377)
Decrease/(Increase) in Non-Current Investment	-	-
Decrease/(Increase) in Long Term Loans & Advances	8,76,714	1817027
Decrease/(Increase) in Other Non-Current Assets	16,42,374	1,76,49,990
Decrease/(Increase) in Inventories	3,04,63,586	(72,65,860)
Decrease/(Increase) in Trade Receivables	(2,07,74,266)	(4,07,09,299)
Decrease/(Increase) in Short Term Loans & Advances	(21,54,474)	11473028
Decrease/(Increase) in Other Current Assets	(31,184)	(23,295)
Cash Generated from / (used in) Operating Activities	14,81,57,852	(2,95,09,999)
Tax Expense	(32,90,354)	(29,71,336)
Net Cash Flow from/(used in) Operating Activities (A)	14,48,67,498	(3,24,81,335)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

(Amount in Rs.)

Particulars	For the year ended 31.03.2017	for the year ended 31.03.2016
B. Cash Flow from Investing Activities :		
Interest Income	2,61,87,174	31,76,025
Proceeds from sale of Non-Current Investments	-	-
Addition to Tangible Fixed Assets	(3,71,49,441)	(7,29,52,748)
Addition to Intangible Fixed Assets	(21,40,000)	(5,53,000)
Sale of Tangible Fixed Assets	2,40,66,376	(1,49,476)
Net Cash flow from/(used in) Investing activities (B)	1,09,64,109	(7,04,79,200)
C. Cash Flow from Financing Activities :		
Proceeds from Equity Shares	-	-
Repayment from Long term Borrowings	(4,17,01,556)	19,70,75,963
Proceeds from Short term Borrowings	11,61,221	1,25,28,657
Exceptional Items	19,90,30,953	-
Interest Expense	(7,31,81,813)	(8,00,74,477)
Net Cash Flow from Financing Activities (C)	8,53,08,805	12,95,30,143
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	24,11,40,411	2,65,69,608
Closing Balance of Cash & cash Equivalents	28,35,33,869	4,23,93,458
Opening Balance of Cash & cash Equivalents	4,23,93,458	1,58,23,850
Net Increase / (Decrease) in Cash & Cash Equivalents	24,11,40,411	2,65,69,608

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 notified under the Companies (Accounting Standards) Rules, 2006.
2. Addition to Fixed Assets include movement of Capital Work in Progress during the year.
3. Proceeds from Longs 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 attached.

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

Chartered Accountants

FR NO. 302034E

CA P. K. Bhattacharya

Partner

Membership No.015899

Kolkata, 16th May, 2017

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 accounts 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 Amortization :

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 amortized over the period of the respective lease.

Cost of acquisition of Patents are amortized 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 & 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 & 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 & 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.

NOTES TO THE FINANCIAL STATEMENTS

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 realization, 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 to the Companies' Act, 2013. Based on the nature of services provided and time between the rendering of services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as less than 12 months for the purpose of current and non-current classification of 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

(Amount in Rs.)

	As at 31st March, 2017	As at 31st March, 2016
2 Share Capital:		
a) Authorised:		
i) 50,000,000 Equity Shares of Rs. 2/- each.	10,00,00,000	10,00,00,000
ii) 5,000,000 Preference Shares of Rs. 100/- each.	50,00,00,000	50,00,00,000
Total	60,00,00,000	60,00,00,000
b) Issued, Subscribed & Paid Up:		
i) Equity Shares Fully Paid Up:		
37,605,123 Equity Shares of Rs. 2/-each.	7,52,10,246	7,52,10,246
ii) Preference Share Fully Paid Up:		
2,934,349 , 8% Cumulative Redeemable Preference Share of Rs. 100/- each.	29,34,34,866	29,34,34,866
Total	36,86,45,112	36,86,45,112

Particulars	2016-17	2015-16
	Nos	Nos
c) Reconciliation of the number of Equity Shares Outstanding:		
Number of Shares outstanding at the beginning of the year.	3,76,05,123	3,76,05,123
Number of Shares outstanding at the end of the year.	3,76,05,123	3,76,05,123

Particulars	2016-17	2015-16
	Nos	Nos
d) Reconciliation of the number of Preference Shares Outstanding:		
Number of Shares outstanding at the beginning of the year.	29,34,349	29,34,349
Number of Shares outstanding at the end of the year.	29,34,349	29,34,349

e) Shares in the Company held by each Shareholders holding more than 5% shares :

Name of Shareholders	As at 31st March, 2017		As at 31st March, 2016	
	Number of Shares held Nos	% of Share held Nos	Number of Shares held Nos	% of Share held Nos
Sunita Khaitan	1,01,18,900	26.91	1,01,18,900	26.91
Reliance Sheet Works Pvt Ltd	72,51,481	19.28	72,51,481	19.28
Amit Commercial Co.Ltd	72,30,132	19.23	72,30,132	19.23
Asset Reconstruction Co.Ltd	59,50,000	15.82	5950000	15.82

f) In terms of the Order dated 10th June,2010 of the erstwhile BIFR, 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.

g) Rights, Preferences and Restrictions attached to shares:

- 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.
- 8% Cumulative Redeemable Preference shares issued as per IDBI sanction dated 13th June 2006 by way of converting their overdue interest and 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.

NOTES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

Particulars	Balance as at 1st April, 2016	Addition	Deduction	Balance as at 31st March, 2017
3 Reserve & Surplus:				
a) General Reserve	2,87,63,318	-	-	2,87,63,318
b) Surplus in the Statement of Profit and Loss	(1,85,75,90,513)	21,77,26,130	-	(1,63,98,64,383)
Total	(1,82,88,27,195)	21,77,26,130	-	(1,61,11,01,065)

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.

Particulars	Balance as at 1st April, 2016		Balance as at 31st March, 2017	
4 Long Term Borrowings:				
a) Debentures				
Secured				
i) 1,000,000 18% Redeemable Non-Convertible Debentures of Rs. 100/- each privately placed with IDBI.	10,00,00,000		10,00,00,000	
Less: Not disbursed by IDBI	1,00,00,000		1,00,00,000	
	9,00,00,000		9,00,00,000	
Less: Overdue Portion of NCD (Refer Note No-10)	9,00,00,000		1,50,31,577	
Less: Current maturity of NCD (Refer Note No-10)	-	-	7,49,68,423	-
ii) 350,000 19% Redeemable Non-Convertible Debenture of Rs.100/- each privately placed with NIA.		21,45,658		21,45,658
iii) 100,000 19% Redeemable Non-Convertible Debentures of Rs.100/- each privately placed with OIC.		89,88,957		89,88,957
iv) 100,000 20% Redeemable Non-Convertible Debentures of Rs.100/- each privately placed with NIA.		1,05,46,481		1,05,46,481
v) 374,030 14% Redeemable Debentures of Rs.30/- each.(Non-Convertible Portion)	1,12,12,870		1,12,14,878	
vi) 249,375 14% Redeemable Debentures of Rs.20/- each.(Non-Convertible Portion)	49,87,500		49,87,500	
vii) 10,300 14% Redeemable Debentures of Rs.10/- each.(Non-Convertible Portion)	1,03,000		1,03,000	
	1,63,03,370		1,63,05,378	
Less: Allotment Money in arrear.	87,360		87,360	
Less: Unpaid Matured Debenture - Refer Note No-10 (i)				
Transfer to Investor Protection Fund	1,52,06,388		1,52,06,388	
Other Overdue Debenture	10,09,622	-	2,16,81,096	-
		2,16,81,096		2,16,81,096

NOTES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

Particulars	Balance as at 1st April, 2016		Balance as at 31st March, 2017		
b) Term Loan:					
i) From Banks / Financial Institutions					
Secured:					
ARCIL	25,60,81,568		37,42,81,568		
IDBI	9,90,00,000		9,90,00,000		
IDBI (ACS)	4,32,30,081		4,32,30,081		
	39,83,11,649		51,65,11,649		
Less: Overdue Portion of Long Term Debt	14,22,30,081		14,22,30,081		
Less: Current maturity of Long Term Debt (Refer Note -9(a))	3,08,00,000	22,52,81,568	3,00,00,000	34,42,81,568	
ii) Other Parties					
Secured:					
Magma Housing Finance		8,48,86,801		5,11,61,945	
Unsecured:					
Body Corporates	18,63,53,173		14,26,25,000		
SICOM	47,57,756		47,57,756		
Sale Tax Loan (Under Sales Tax Deferral Scheme)	2,69,06,419		2,69,06,419		
	21,80,17,348		17,42,89,175		
Less: Overdue Portion of Long Term Debt	3,16,64,175		3,16,64,175		
Less: Current maturity of Long Term Debt (Refer Note -9(a))	-	18,63,53,173	49,65,21,542	-	14,26,25,000
53,80,68,513					
c) Loans and Advances from Related Parties:					
Unsecured:					
Mr. Sunil Kumar Khaitan			16,75,000		16,75,000
d) Long Term Maturities of Finance Lease.(CAR)					
Secured:					
HDFC Bank Ltd	32,93,332		36,47,176		
Tata Motors Finance Ltd	-		-		
Family Credit Ltd	-		-		
	32,93,332		36,47,176		
Less Current maturities of finance lease (Refer Note-10(b))	14,44,347	18,48,985	18,48,985	16,43,606	20,03,570
20,03,570					
Total			52,17,26,623		56,34,28,179

NOTES:

Terms of Redemption/ Repayment:

a) Debentures.

- i) In respect of Note-4(a)(i) above, pursuant to the Order dated 10th June, 2010 of the erstwhile BIFR and subsequent rescheduling made by the IDBI repayment period starts from the year 2013-14 (rescheduled as 2015-16) and ends 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 Order dated 10th June, 2010 of the erstwhile BIFR 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
- iv) In respect of Note-4(a)(v) above, payment has been made during the year Rs.2,008/-

NOTES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

b) Term Loans:

i) The Company had earlier submitted a modified DRS Scheme to the erstwhile Hon'ble Board of the 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.232,230,081/-) approval for which had not been received till 30th November, 2016. The BIFR stood dissolved with effect from 1st December, 2016. The Company now is in the process of registering with in NCLT, which replaced the BIFR, with suitable Resolution Scheme in continuation with the earlier revival plan. The proposed revival plan has, however received in principle consent of one of the major lender ARCIL. Entire revival plan is, however, subject to consent of 75% of all the financial creditors as required under Resolution Process of NCLT.

ii) ARCIL: During the year, 2015-16 ARCIL has restructured the schedule of repayments of their outstanding Term Loan by segregating total outstanding as under effective from April, 2015 and ending on March, 2020:

Principal Rs.34.00 Crore (Balance as on 31.03.2017 is Rs, 9.25 Crore)

Interest Rs.12.62 Crore (Balance as on 31.03.2017 is Rs, 2.58 Crore)

ARCIL has revised the repayment schedule during the year 2016-17 pursuant to pre-payment of Rs 8.75 crore made in March, 2017. Consequently total interest payable upto 2019-20 is reduced to Rs.10.20 crore as per said revised repayment schedule.

Accordingly provision has been made for the elements of interest for the year Rs.35,400,000/-, included under Finance Cost and the has been paid during the year.

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.

iii) IDBI: Pursuant to the Order dated 10th June 2010 of the erstwhile BIFR, repayment period starts from the financial year 2013-14 and ends on 2016-17.

The Company did not adhere to the repayment schedule in view of the reasons as stated (i) above.

In view of the reasons stated in (i) above as also the Company becoming a Non Performing Asset in the books of IDBI, no provision as on 31.03.2017 for Interest on Debenture (including penal interest) Rs.45,156,396/- (inclusive of Rs.17,708,741/- for the year) and Interest on Term Loan (including penal interest) Rs.74,200,898/- (inclusive of Rs.27,372,137/- for the year) has been made in this financial statement.

iv) Unsecured loans from promoters Rs. 1,675,000 and certain bodies corporates Rs.1,125,000 are repayable after the repayment of all settled dues of secured creditors are made pursuant to the Rehabilitation Scheme sanctioned by its Order dated 10th June, 2010 of the erstwhile BIFR. As per the said sanctioned scheme of erstwhile BIFR, no interest is payable on above loans. Also refer to (i) above.

v) 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 vides its Order dated 10th June,2010 of the BIFR.

As per the above Order no interest is payable on these loan and hence no provision is required to be made for the same.

The Sales Tax Department vide their letter dated 26.06.2014 had restructured principal outstanding to be paid in 5 instalments of Rs. 5,833,602/- from the year 2014-15 to 2018-19 and the company has paid Rs. 2,000,000/- against the same. However, later on, the department vide their letter dated 19.09.2015 has claimed interest of Rs. 21,350,183/- which the company has protested. Also refer to (i) above.

v) Loan from Magma Housing Finance is Repayable in 84 equated monthly instalments (EMI).

c) Finance Lease:

In respect of Note-4(d) above, repayable in monthly instalments from June 2012 to March,2020 for respective cars covered under above lease.

NOTES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

Nature of Security:**a) Debentures.**

- i) The aforesaid debentures have been secured by a First mortgage and charge, ranking pari passu, by execution of Debenture Trust Deed on certain immovable and movable properties of the Company. They are also secured by a second mortgage and charge on the immovable and movable assets of the Company at Uttarpara and Nasik (save and except book debts) both present and future but excluding assets purchased / to be purchased under Deferred Payment Scheme, 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 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.
- iii) Term Loan from Magma Housing Finance of Rs.84,886,801/-(Previous Year Rs.51,161,945/-) is secured by personal property of promoter director and personal gaurentee of promoter director and his family.

c) Finance Lease:

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

Period and amount in continuing default:

Nature of Loans	As at 31st March, 2017		As at 31st March, 2016	
	Amount of Default	Due Since	Amount of Default	Due Since
i) Secured-Term Loan				
Assets Restrucing Company (India) Limited (ARCIL)	-		-	
Do	-		-	
Do	-		-	
Do	-		-	
Do	-		-	
Do	-		-	
Do	-		-	
Do	-		-	
Do	-		-	
Do	-		-	
Do	-		-	
Do	-		-	
Do	-		-	
Do	-		-	
Do	-		-	
Do	-		-	
Do	-		-	
Do	-		-	
Do	-		-	
Total	-		-	

NOTES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

Nature of Loans	As at 31st March, 2017		As at 31st March, 2016	
	Amount of Default	Due Since	Amount of Default	Due Since
Industrial Development Bank of India-ACS	42,26,296	Sept'2013	42,26,296	Sept'2013
Do	62,42,042	Oct'2013	62,42,042	Oct'2013
Do	62,42,042	Nov'2013	62,42,042	Nov'2013
Do	19,08,308	Dec'2013	19,08,308	Dec'2013
Do	13,18,046	May'2014	13,18,046	May'2014
Do	62,42,042	Jun'2014	62,42,042	Jun'2014
Do	62,42,042	Jul'2014	62,42,042	Jul'2014
Do	62,42,042	Aug'2014	62,42,042	Aug'2014
Do	62,42,042	Sept'2014	62,42,042	Sept'2014
Do	62,42,042	Oct'2014	62,42,042	Oct'2014
Do	62,42,042	Nov'2014	62,42,042	Nov'2014
Do	62,42,042	Dec'2014	62,42,042	Dec'2014
Do	62,42,042	Jan '2015	62,42,042	Jan '2015
Do	62,42,042	Feb'2015	62,42,042	Feb'2015
Do	62,42,042	Mar'2015	62,42,042	Mar'2015
Do	62,42,042	Apl'2015	62,42,042	Apl'2015
Do	62,42,042	May'2015	62,42,042	May'2015
Do	62,42,042	Jun'2015	62,42,042	Jun'2015
Do	62,42,042	Jul'2015	62,42,042	Jul'2015
Do	62,42,042	Aug'2015	62,42,042	Aug'2015
Do	62,42,042	Sept'2015	62,42,042	Sept'2015
Do	62,42,042	Oct'2015	62,42,042	Oct'2015
Do	62,42,042	Nov'2015	62,42,042	Nov'2015
Do	62,42,042	Dec'2015	62,42,042	Dec'2015
Do	36,94,549	Jan '2016	36,94,549	Jan '2016
Total	14,22,30,081		14,22,30,081	
ii) Unsecured Term Loan**				
SICOM	9,51,551	Mar'2010	9,51,551	Mar'2010
Do	9,51,551	Mar'2011	9,51,551	Mar'2011
Do	9,51,551	Mar'2012	9,51,551	Mar'2012
Do	9,51,551	Mar'2013	9,51,551	Mar'2013
Do	9,51,551	Mar'2014	9,51,551	Mar'2014
Total	47,57,755		47,57,755	
Sale Tax Loan (Under Sales Tax Deferral Scheme)	57,81,284	Mar'2010	57,81,284	Mar'2010
Do	57,81,284	Mar'2011	57,81,284	Mar'2011
Do	57,81,284	Mar'2012	57,81,284	Mar'2012
Do	57,81,284	Mar'2013	57,81,284	Mar'2013
Do	37,81,284	Mar'2014	37,81,284	Mar'2014
Total	2,69,06,420		2,69,06,420	

NOTES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

	As at 31st March, 2017			As at 31st March, 2016		
5 Deferred Tax Liabilities (Net):						
Deferred Tax Liabilities.						
Accumulated Depreciation			14,99,804			28,33,409
Deferred Tax Assets.						
Expenses allowable for tax purposes when paid.			14,99,804			28,33,409
Deferred Tax Liability (Net) recognised in books			-			-
Note: Applying the principle of Accounting Standard-22, 'Accounting for Tax on Income', Deferred tax Assets have been recognised only to the extent of Deferred Tax Liability.						

	As at 31st March, 2017			As at 31st March, 2016		
6 Other Long Term Liabilities:						
Other Payables:						
Accrued Expense		2,23,52,491			3,06,19,699	
Sales Tax in connection Leased Assets sales		43,43,236			43,43,236	
Finance Lease Rent-IDBI (Including Interest)	1,57,54,487			1,56,21,907		
Less : Overdue Finance Lease Rent (Refer Note-10)	1,31,91,049			1,07,60,191		
Less : Current Maturities of Finance Lease Rent:Interest (Refer Note-10)	25,63,438	-	2,66,95,727	24,30,858	24,30,858	3,73,93,794
			2,66,95,727			3,73,93,794

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. 15,754,487/- (Previous Year Rs.15,621,907/-) is secured by exclusive charge on Fixed Assets purchased under relevant scheme.

	As at 31st March, 2017			As at 31st March, 2016		
7 Long Term Provisions:						
a) Provision for Employees Benefits.						
Gratuity		4,12,32,988			4,11,01,928	
Leave Encashment Refer note-39		1,59,70,650	5,72,03,638		1,99,49,892	6,10,51,820
b) Others						
Debenture Premium		13,75,000			13,75,000	
Provision for Contingencies		3,50,000	17,25,000		3,50,000	17,25,000
Total			5,89,28,638			6,27,76,820

NOTES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

	As at 31st March, 2017			As at 31st March, 2016		
8 Short Term Borrowings:						
a) Loan Repayable on Demand.						
i) From Banks						
Secured:						
Overdraft Current Account	1,26,75,695			1,10,64,016		
Unsecured:	-	1,26,75,695	1,26,75,695	-	1,10,64,016	1,10,64,016
b) Loans and Advances from Related Parties:						
Unsecured:						
Mr. Dwarka Khaitan		10,14,183	10,14,183	14,64,641		14,64,641
Total			1,36,89,878			1,25,28,657

Note:**Nature of Security:**

The aforesaid Overdraft Current Account has been secured by Margin Money Deposit.

	As at 31st March, 2017			As at 31st March, 2016		
9 Trade Payable:						
Total Outstanding Dues of Micro and Small Enterprises			18,54,487			23,02,322
Total Outstanding Dues of Other than Micro and Small Enterprises			11,62,27,443			103856714
			11,80,81,930			10,61,59,036
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, 2016 as under:						
The Principal amount and Interest due thereon remaining unpaid to any supplier as at the end of the year.			18,54,487			23,02,322
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.			1,21,65,825			1,25,32,302
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.

NOTES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

	As at 31st March, 2017		As at 31st March, 2016	
10 Other Current Liabilities:				
a) Current Maturities of Long Term Debts		3,08,00,000		3,00,00,000
- Refer Note No-4(b)(i) & (ii)				
b) Current Maturities of Finance Lease Obligations		40,07,785		40,74,464
- Refer Note No-4(d) & 6				
c) Interest Accrued and Due on Borrowings		1,76,07,81,824		1,76,01,20,260
d) Unpaid Matured Debentures and Interest accrued thereon				
Other Overdue Debenture -Refer Note No-4(a)	10,09,622		10,11,630	
Investor Education and Protection Fund (Matured Debenture)	1,52,06,388		1,52,06,388	
- Refer Note No-4(a)				
Interest Accrued and Due	59,20,399	2,21,36,409	59,20,399	2,21,38,417
e) Other Payables				
Overdue Portion of Long Term Debt (Refer Note No-4(b) above)	17,38,94,256		17,38,94,256	
Overdue Lease Finance Rent (Refer Note No-6)	1,31,91,049		1,07,60,191	
Overdue Portion of NCD (Refer Note No-4(a)(i))	9,00,00,000		1,50,31,577	
Current Maturity of NCD (Refer Note No-4(a)(i))	-		7,49,68,423	
Advance from Customers & Others	38,21,320		40,62,732	
Statutory Liabilities	59,87,515		69,72,920	
Salary Wages & Bonus	3,26,64,681		3,37,75,222	
Others	1,37,06,796	33,32,65,616	2,10,01,788	34,04,67,109
Total		2,15,09,91,634		2,15,68,00,250
11 Short Term Provisions:				
a) Provision for Employees Benefits		73,24,047		47,42,217
Unpaid Gratuity	69,44,319	1,42,68,366	41,74,228	89,16,445
Leave Encashment				
Total		1,42,68,366		89,16,445

NOTES TO THE FINANCIAL STATEMENTS

12 Fixed Assets

i) Tangible Assets (Consolidated)

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

(Amount in Rs.)

DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRECIATION			IMPAIRMENT			NET BLOCK		
	As at 1.04.2016	Addition	Disposals	As at 31.03.2017	Upto 31.03.2016	For the Year	Disposals Upto 31.03.2017	As at 1.04.2016	Reversed during the Year	Provided during the Year	As at 31.03.2016	As at 31.03.2017
LAND												
Freehold	12,70,150	-	5,52,523	7,17,627	-	-	-	-	-	-	7,17,627	12,70,150
Leasehold	10,05,213	-	99,294	9,05,919	3,42,709	10,535	47,729	3,05,515	-	-	6,00,404	6,62,504
BUILDING	27,42,79,460	86,90,225	7,14,81,140	21,14,88,545	10,25,98,589	56,87,980	4,83,33,017	5,99,53,552	-	-	15,15,34,994	17,16,80,872
Leasehold	49,25,807	-	-	49,25,807	16,55,348	68,911	-	17,24,259	-	-	32,01,549	32,70,460
PLANT AND EQUIPMENTS	1,28,01,92,290	6,05,08,081	-	1,34,07,00,371	99,29,94,918	4,78,10,057	-	1,04,08,04,975	-	-	29,98,95,396	28,71,97,372
FURNITURE AND FIXTURES	4,76,37,036	6,32,736	34,78,373	4,47,91,399	3,52,26,816	15,77,512	33,04,454	3,34,99,874	-	-	1,12,91,525	1,24,10,219
VEHICLES	1,20,24,404	19,99,714	11,757	1,40,12,361	44,74,652	16,42,341	11,170	61,05,822	-	-	79,06,539	75,49,752
OFFICE EQUIPMENTS	92,28,443	29,31,167	27,57,438	94,02,172	85,17,436	1,62,079	26,19,566	60,59,949	-	-	33,42,223	7,11,007
OTHERS												
Computers	3,25,81,247	19,73,866	35,750	3,45,19,363	2,97,03,224	8,09,933	33,962	3,04,79,195	-	-	40,40,167	28,78,022
TOTAL	1,66,31,44,051	7,67,35,789	7,84,16,275	1,66,14,63,565	1,17,55,13,692	5,77,69,349	5,43,49,899	1,17,89,33,142	-	-	48,25,30,423	48,76,30,358
PREVIOUS YEAR	1,52,34,08,524	14,60,54,846	63,19,320	1,73,75,81,038	1,12,66,79,309	5,51,04,872	62,70,488	1,17,55,13,692	-	-	48,76,30,358	-

Note : 1. Building include Rs.234277/- being cost of co-ownership flats.(Previous Year Rs.234277/-)

2. Fixed Assets include assets taken on hire purchase system after 01.04.2012 Vehicles Gross Block Rs.9,677,792/- (Previous Year Rs.8,093,078/-) and Net Block Rs.6,789,223/- (Previous Year Rs.6,321,304/-).

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

Particulars	As at 31.03.2017		As at 31.03.2016	
	Min. HP Payment	Present Value	Min. HP Payment	Present Value
a) Not later than one year	19,38,558	12,61,106	11,22,810	13,15,958
b) Not later than one year and not later than five years	-	20,32,227	-	23,31,219
c) Later than five years	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS**12 Fixed Assets****ii) Intangible Assets (Consolidated)**

Reconciliation of the Gross Carrying Amounts and Net Carrying Amounts at the beginning and at the end of the year. (Amount in Rs.)

DESCRIPTION OF ASSETS	GROSS BLOCK			AMORTISATION			IMPAIRMENT			NET BLOCK			
	As at 1.04.2016	Addition	Disposals	As at 31.03.2017	Upto 31.03.2016	For the Year	Disposals	Upto 31.03.2017	As at 1.04.2016	Reversed during the Year	Provided during the Year	As at 31.03.2017	As at 31.03.2016
COMPUTER SOFTWARE	51,44,630	21,40,000	-	72,84,630	37,38,627	11,80,032	-	49,18,659	-	-	-	23,65,970	14,06,002
- Acquired													
PATENTS	20,30,078	-	-	20,30,078	20,30,078	-	-	20,30,078	-	-	-	(0)	(0)
- Acquired													
TECHNICAL KNOWHOW													
- Acquired	2,15,21,100	-	-	2,15,21,100	1,72,16,880	43,04,220	-	2,15,21,100	-	-	-	-	43,04,220
TOTAL	2,86,95,808	21,40,000	-	3,08,35,808	2,29,85,586	54,84,252	-	2,84,69,837	-	-	-	23,65,970	57,10,222
Previous Year	2,81,42,808	5,53,000	-	2,86,95,808	1,75,64,227	54,21,359	-	2,29,85,586	-	-	-	57,10,222	-

iii) Capital Work in progress

Particulars	Opening Balance As on 01.04.2016	Addition during the year	Deduction during the year	Closing Balance As on 31.03.2017
Capital Work in progress Building	39,89,700	-	39,89,700	-
Capital Work in progress Computer	-	-	-	-
Capital Work in progress Plant & Machinery	9,76,72,085	3,12,276	3,59,08,924	6,20,75,437
Total	10,16,61,785	3,12,276	3,98,98,624	6,20,75,437

NOTES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

	As at 31st March, 2017			As at 31st March, 2016		
13 Non-Current Investments						
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.	26,52,450			26,52,450		
(Including 10,155 Equity Shares received as Bonus)						
ii) Pamwi Tissues Ltd						
260,130 Equity Shares of Rs.10/- each.	13,28,427			13,28,427		
iii) Sumangala Investment Co.Ltd						
4,200 Equity Shares of Rs.10/- each.	42,000	40,22,877		42,000	40,22,877	
Un-Quoted Fully Paid Up.						
i) Shalimer 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.	20,000	30,000	40,52,877	20,000	30,000	40,52,877
c) Investments in Govt. or Trust Securities						
7 Year National Savings Certificate. (Lodged with Govt. Authorities)		13,000	13,000		13,000	13,000
			40,65,877			40,65,877
Less: Provision for diminution in value of Investments			38,98,409			38,60,833
Total			1,67,468			2,05,044

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

Aggregate value of Quoted Investments			40,22,877			40,22,877
Market value of Quoted Investments			6,33,278			6,33,278
Aggregate value of Un-Quoted Investments			43,000			43,000
Aggregate Provision for diminution in value of Investments			38,98,409			38,60,833

NOTES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

	As at 31st March, 2017			As at 31st March, 2016		
14 Long Term Loans and Advances						
Unsecured, Considered Goods:						
a) Capital Advances		1,65,77,299		13,44,65,22		
b) Security Deposits		1,68,40,342		1,99,46,368		
c) Other Loans and Advances						
Inter Corporate Deposits	4,06,17,747			4,06,17,747		
Taxes & Duties Paid Under Protest	39,41,053			61,91,053		
Advance Income Tax	84,82,524			51,92,170		
Advance against Salary & Wages	71,25,776	6,01,67,100	9,35,84,741	57,77,241	5,77,78,211	9,11,71,101
Total			9,35,84,741			9,11,71,101

Note i) 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.

15 Other Non-Current Assets						
a) Others						
Unsecured, Considered Goods:						
Export Entitlement			1,11,18,251			1,11,18,251
Claim Receivable			29,81,499			77,04,074
Total			1,40,99,750			1,88,22,325

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.

16 Inventories						
(Valued at lower of cost and net realizable value, unless stated otherwise)						
a) Raw Materials			6,88,17,150			8,08,38,738
b) Work in Progress			13,94,18,218			14,69,40,019
c) Finished Goods			99,61,198			1,63,79,218
d) Stores & Spares			5,31,26,006			5,74,99,214
e) Factory Scrap			37,252			1,66,221
Total			27,13,59,824			30,18,23,409

17 Trade Receivables						
Unsecured, Considered Goods:						
Outstanding for a period exceeding six month		11,63,06,709		9,73,04,571		
Other Debts		28,63,80,764	40,26,87,473	29,37,62,594	39,10,67,165	
Doubtful:						
Outstanding for a period exceeding six month		-			-	
Less: Provision for doubtful debts		-	-		-	
Total			40,26,87,473			39,10,67,165

Note: Trade receivables include Rs.11,786,175/- (inclusive of Rs.3,147,956/- pertaining to Related Party. Refer Note No. 35 relating to related parties.) outstanding since a long period of time. However, no provision against the same has been considered necessary.

18 Cash and Cash Equivalent						
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NOTES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

	As at 31st March, 2017		As at 31st March, 2016	
a) Balances with Banks				
In Current Account	25,46,18,888		1,15,68,476	
Fixed Deposit	37,76,545	25,83,95,433	34,73,416	1,50,41,892
b) Cash on hand		13,23,656		9,86,951
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.	-		-	
ii) Maturity period more than 12 months	2,38,14,780	2,38,14,780	2,63,64,615	2,63,64,615
Total		28,35,33,869		4,23,93,458

19 Short Term Loans and Advances				
a) Loans and Advances to Related Parties		1,60,94,626		1,60,94,626
Unsecured, Considered Goods				
b) Others:				
Unsecured, Considered Goods:				
Advance to Suppliers & Others	1,36,27,672		15128900	
CENVAT Receivable:	86,46,996		80,43,114	
Vat receivable	5,48,749		4,20,757	
TDS Receivable	3,11,530		-	
Prepaid Expenses	33,33,141		29,78,275	
Others	64,73,312	3,29,41,399	42,15,880	3,07,86,925
Total		4,90,36,025		4,68,81,551

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-35 relating to Related Parties.

20 Other Current Assets				
Interest Receivable		4,85,864		4,54,680
Total		4,85,864		4,54,680

21 Revenue from operations				
a) Sale of goods (Gross)				
Wire/Fabric for Pulp, Paper Board Industries	95,81,16,764		904830508	
Copper & Copper Alloy Wires Including Monel Wires	12,17,77,152		113755805	
Dandy Roll & Dandy Bracket	3,18,89,772		2,97,48,001	
Others	53,45,434	1,11,71,29,122	65,35,232	1,05,48,69,546
b) Other Operating Income				
Export Entitlement	35,21,269		23,47,834	
Conversion Charges Realisation	7,73,026			
Scrap Sale*	22,01,586	64,95,881	17,74,770	41,22,604
Revenue from operations (Gross)		1,12,36,25,003		1,05,89,92,150
Less : Excise duty and cess on sale of goods		10,20,17,193		9,88,41,817
Revenue from operations (net)		1,02,16,07,810		96,01,50,333

* Net of Excise Duty.

NOTES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

	As at 31st March, 2017		As at 31st March, 2016	
22 Other Income				
a) Interest Income (Tax Deducted at Sources Rs.3,624,284/- (Previous year Rs.297,861/-))		2,61,87,174		31,76,025
c) Net Gain on Sale of Investment.		-		-
d) Other Non-Operating Income (Net):				
i) Net gain on foreign currency transactions		40,89,708		34,82,544
ii) Unspent liabilities/balances written back		42,15,567		25,13,622
iii) Miscellaneous Income		1,00,90,394		59,49,654
Total		4,45,82,843		1,51,21,845

Note: Miscellaneous Income include Rs.7,704,464/- being gains realised on purchase of Import Licences made by the company.

23 Cost of Materials Consumed				
Raw Materials Consumed				
Opening Stock		8,08,38,737		8,25,29,727
Add: Purchase		27,65,94,305		35,74,33,042
Less: Closing Stock		6,88,17,150		8,08,38,737
Total		28,86,15,892		27,81,45,557

24 Change in Inventories.				
Closing Stock:				
Finished Goods		99,61,198		1,63,79,218
Work in Progress:		13,94,18,218		14,69,40,019
Stock in Trade		-		-
Scrap		37,252		14,94,16,668
				1,66,221
Less: Opening Stock:				
Finished Goods		1,63,79,218		1,03,78,453
Work in Progress:		14,69,40,019		14,74,27,642
Stock in Trade		-		-
Scrap		1,66,221		16,34,85,458
				22,063
Increase / (Decrease) in Stock		(1,40,68,791)		56,57,300

25 Employees Benefits Expense				
Salaries and Wages		20,25,89,454		19,75,10,815
Contribution to Provident Fund and Other Fund		1,24,37,857		1,19,18,257
Staff welfare Expense		1,58,40,293		1,46,71,379
Total		23,08,67,605		22,41,00,451

Note: Salaries and Wages include Rs.749,288/- (Previous Year Rs.618,411/-) being expenses incurred on Research & Development.

26 Finance Cost				
a) Interest Expense		7,31,81,813		8,00,74,477
Total		7,31,81,813		8,00,74,477

NOTES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

	As at 31st March, 2017		As at 31st March, 2016	
27 Other Expenses				
Stores & Spare parts consumption		7,58,23,130		6,82,05,990
Rent		52,69,173		40,32,061
Rates & Taxes		16,19,621		13,69,346
Insurance		62,27,233		64,06,134
Power & Fuel		4,27,50,605		4,18,12,876
Repairs & Maintenance		6,24,30,971		5,15,57,487
Travelling & Conveyance		3,76,91,615		4,20,57,356
Directors' Fees		4,56,000		5,58,000
Payments to Auditors		2,92,000		5,95,000
Brokerage & Commission		1,84,96,967		1,67,81,441
Legal and Professional Expenses		2,00,92,894		2,47,19,050
Freight & Forwarding		94,20,273		1,10,81,038
Settlement Compensation to Customers		1,53,32,275		1,34,95,751
Loss on Sale of Tangible Assets		-		1,98,308
Loss on Discarded of Tangible Assets		-		-
Debenture Trustee Remuneration		-		40,000
Doubtful Debt Written Off		91,53,958		7,27,429
Sundry Balances Written Off		30,80,201		1,85,276
Provision for Doubtful Debt		-		-
Provision for Impairment Loss		-		-
Preliminary Expenses Written Off		-		-
Prior Period Expenses		6,78,741		4,33,216
Net Loss on Foreign Currency Exchange		3,811		3,209
Miscellaneous Expenses		6,86,88,306		5,39,07,955
		37,75,07,775		33,81,66,923

Note:

- i) During the year Company paid Rs.2,156,310/- to Sale Tax Authorities, Govt. of west Bengal towards settlement of disputes relating to earlier years.
- ii) Miscellaneous Expenses include Rs.10,236,603/- being expenses of the Nasik Unit (Previously under discontinued operation) incurred till the date of disposal of the said Unit.

28 Income from Exceptional Items				
a) Profit on Sale of Properties		19,90,30,953		-
		-		-
		19,90,30,953		-

Note:

Above represents profit on sale of entire property of Nasik Unit (Previously under discontinued operation) and office building at Mumbai made during the year. On sale of such properties, the Nasik Unit ceased to be in existence with effect from 5th March, 2017, that is the handing over possession of the property.

NOTES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

	As at 31st March, 2017		As at 31st March, 2016	
Other Disclosures:				
29 Contingent Liabilities and Commitments (To the extent not provided for)				
i) Contingent Liabilities				
a) Claim against the company not acknowledged as debt.		90,08,000		90,08,000
b) Guarantees		-		-
c) Other money for which the company is contingently liable.				
Sale Tax Demands	4,31,64,898		4,11,20,672	
Excise Demands	3,30,12,252		2,30,80,095	
Municipal Tax Demands	18,57,305		18,57,305	
Non fulfilment of Export Obligation under DEEC Scheme	5,73,24,691		5,73,24,691	
Non fulfilment of Export Obligation under ISIL Scheme		- 13,53,59,146		- 12,33,82,763
Total		14,43,67,146		13,23,90,763
ii) Commitments.				
a) Estimated amount of Contracts remaining to be executed on Capital Account and not provided for. (Net of Advance)		13,06,75,585		4,67,00,413
b) Uncalled liability on shares and other investments partly paid		-		-
c) Other Commitments.		-		-
Total		13,06,75,585		4,67,00,413

Note:

- 1) The above Contingent Liabilities for Sale Tax Demands includes demands made by Sale Tax Authorities from time to time under Appeals. As against above demands the Company has deposited Rs.3,076,484/- under protest.
- 2) The above Contingent Liabilities for Excise Demands includes demands made by Central Excise Authorities from time to time under Appeals. As against above demands the Company has deposited Rs.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 vides its Order dated 10.06.2010 of the BIFR. Also refer Footnote (b)(i) of Note No-4.
- 6) A sum amounting to Rs.16,577,299/- has been paid as advance in respect of above contracts remaining to be executed on Capital Account and not provided for.

NOTES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

	As at 31st March, 2017		As at 31st March, 2016	
30 Additional Information				
1. a) Depreciation and Amortization Expense				
Tangible Assets		5,77,69,349		5,39,58,328
Intangible Assets		54,84,252		54,21,359
Total		6,32,53,600		5,93,79,687
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		11,68,776		10,86,401
Miscellaneous Income				
Miscellaneous Receipts	93,40,650		58,02,901	
Repair & Servicing (Net)	4,54,915		1,35,980	
Previous Year Adjustment	2,83,777	1,00,79,342	4,699	59,43,580
Doubtful Debt Written Back		30,46,791		-
Sale Tax Refund for Earlier Years		11,052		6,074
Total		1,31,37,185		59,49,654
ii) Expenditure:				
Miscellaneous Expenditure				
Advertisement		11,18,429		8,40,594
Bank Charges		34,81,187		32,87,435
Entertainment		2,45,08,953		1,60,05,361
General Charges		50,45,243		58,45,672
Motor Car		46,63,196		56,53,514
Printing & Stationary		18,29,650		24,50,423
Postage & Telegraph		15,06,770		16,12,708
Telephones		39,11,882		39,78,333
Membership		17,05,487		6,80,574
Books & Periodicals		69,865		53,922
Charity		2,00,000		20,000
Licence fees		41,948		40,798
Electricity Charges		20,11,841		22,70,418
Seminar Expense		8,65,104		42,91,437
Survey & Analysis		78,195		1,09,801
Internal Audit Fees		3,48,412		3,46,562
Staff Training		22,000		-
Retrenchment Compensation		-		-
Watch & Ward Expense		28,71,386		30,46,096
Exhibition Expense		-		-
Cost of Discontinue Operation-Nasik		1,02,36,603		-
Debenture Trustee Remuneration		-		-
Computer Expense		10,15,088		10,52,420
Sales Promotion		30,64,256		20,48,105
Entry Tax		-		-
Diminuation value of investments		37,575		1,49,684
Staff selection		55,237		1,24,099
Total		6,86,88,306		5,39,07,955

NOTES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

	As at 31st March, 2017		As at 31st March, 2016	
Repairs Maintenance				
Repairs to Others		69,020		23,426
Repairs to Buildings		26,22,449		19,47,779
Repairs to Plant and Machinery		5,97,39,502		4,95,86,282
Total		6,24,30,971		5,15,57,487
c) Payments to Auditors				
Audit Fees		1,75,000		1,75,000
Taxation Matter		10,000		1,10,000
Cpmpany Law Mattars		-		-
Other Services		1,07,000		3,10,000
Reimbursement Of Expenses		-		-
Total		2,92,000		5,95,000
d) Prior Period Items				
Contribution to Gratuity Fund		3,34,356.00		-
Legal & Professional Fees		1,15,110		86,125
Brokerage & Commission		-		20,260
Branch Expenses (Chennai)		10,650		57,895
Claims Settled		26,898		-
Rates & Taxes		44,070		-
Travelling expense		1,44,909		0
Others		2,748		2,68,936
Total		6,78,741		4,33,216

	2016-17			2015-16		
	Qty (Kg)	Value	Value	Qty (Kg)	Value	Value
2. a) Raw Material Consumption						
i) Copper & Copper Alloy Wire	1,85,448		7,05,97,599	1,73,069		6,82,69,122
ii) Trivera Wire	2,60,645		16,39,66,362	2,22,987		14,22,06,610
iii) Stainless Steel Wire	1,50,082		3,96,05,254	1,41,849		5,58,70,743
vii) Strips	5,088		28,39,064	5,863		34,94,216
ix) Non-Ferrous	5,086		14,95,332	2,528		(6,40,050)
x) Others	9,429		1,01,12,281	10,331		89,44,916
Total	6,15,778		28,86,15,892	5,56,627		27,81,45,557

	2016-17			2015-16		
	Qty (Kg)	Value	Value	Qty (Kg)	Value	Value
3. Work In Progress						
i) Wire			2,01,51,786			2,47,45,059
ii) Brass			61,39,864			76,37,852
iii) Cloth			1,38,61,054			2,54,04,194
iv) Synthetic cloth Sqm			9,60,18,575			8,62,25,797
v) Dandy Bracket			14,86,715			16,65,252
vi) Others			17,60,224			12,61,866
Total			13,94,18,218			14,69,40,019

NOTES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

	2016-17			2015-16		
	Qty (Kg)	Value	Value	Qty (Kg)	Value	Value
4. The aggregate, if material, of any amounts set aside to provisions made for meeting specific liabilities, contingencies or commitments.						
Liabilities			-			-
Contingencies			3,50,000			3,50,000
Commitments			-			-
Total			3,50,000			3,50,000

Note: The above contingencies Rs. 350,000/- (Previous Year Rs.350000/-) is dependent upon Court decision / out of Court Settlement / disposal of appeals,etc.

5. a) Value of imports calculated on C.I.F basis by the company during the financial year in respect of -						
I. Raw Materials			20,70,46,926			20,65,47,818
II. Components and Spare Parts			2,04,39,827			1,80,33,008
III. Capital Goods			3,00,23,798			3,93,02,064
b) Expenditure in Foreign Currency during the financial year:						
I. Travelling			45,57,005			27,49,861
II. Commission to Selling Agent			1,61,02,205			1,83,49,614
III. Others			-			3,73,629
c) Total value of Imported and Indigenous materials consumed:						
I. Raw Material						
Imported			23,87,46,031			21,81,14,969
Indigenous			4,98,69,861			6,00,30,588
Total			28,86,15,892			27,81,45,557
II. Spare Parts and Components						
Imported			93,63,158			32,71,613
Indigenous			6,64,59,972			6,49,34,377
Total			7,58,23,130			6,82,05,990
d) Earnings in Foreign Exchange.						
I. Export of Goods calculated on F.O.B. Basis			23,05,12,216			20,69,53,291
II. Royalty, Know-how, Professional and Consultation Fees.			-			-
III. Interest and Dividend			-			-
IV. Other Income			-			-

NOTES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

31 Demonetisation.

The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 pursuant to the requirement of Notification G.S.R 308(E) dated 30th March 2017.

Particulars	SBN		Other Denomination		Total	
	Denomination / No	Amount	Denomination / No	Amount	Denomination / No	Amount
A. Closing Balance as at 8th November, 2016	1000 x 385	3,85,000	–	–	1000 x 385	3,85,000
	500 x 1049	5,24,500	–	–	500 x 1049	5,24,500
	–	–	100 x 1702	1,70,200	100 x 1702	1,70,200
			50 x 419	20,950	50 x 419	20,950
			20 x 1017	20,340	20 x 1017	20,340
			10 x 1176	11,760	10 x 1176	11,760
			coin	21,728	coin	21,728
Total Balance as at 8th November, 2016		9,09,500		2,44,978		11,54,478
Transaction between 9th November, 2016 to 30th December, 2016						
Add: Withdrawal from bank accounts	–	–	–	16,55,000	–	16,55,000
Add: Receipts for permitted transactions	–	–	–	2,83,946	–	2,83,946
Add: Receipts for non-permitted transactions	–	–	–	–	–	–
Total Receipt		–		19,38,946		19,38,946
Less: Paid for permitted transactions	–	–	–	18,15,956	–	18,15,956
Less: Paid for Non- permitted transactions	1000 x 85	85,000	–	–	1000 x 85	85,000
	500 x 38	19,000				
Less: Deposited in Bank Accounts*	1000 x 300	3,00,000	–	–	1000 x 300	3,00,000
	500 x 1011	5,05,500	–	–	500 x 1011	5,05,500
	–	–	100x2	200	100x2	200
	–	–	50x21	1,050	50x21	1,050
	–	–	20x11	220	20x11	220
	–	–	10x6	60	10x6	60
Total Payment		9,09,500		18,17,486		27,07,986
B. Closing Balance as at 30th December, 2016	–	–	2000 x 106	2,12,000	2000 x 106	2,12,000
	–	–	100 x 887	88,700	100 x 887	88,700
	–	–	50 x 327	16,350	50 x 327	16,350
	–	–	20 x 1039	20,780	20 x 1039	20,780
	–	–	10 x 828	8,280	10 x 828	8,280
	–	–	Coin	20,328	Coin	20,328
Total Closing as at 30th December, 2016		–		3,66,438		3,66,438
* Details of Deposit in Bank Accounts						
10-11-2016	1000 x 300	3,00,000	–	–	1000 x 300	3,00,000
10-11-2016	500 x 346	1,73,000	–	–	500 x 346	1,73,000
11-11-2016	500 x 600	3,00,000	–	–	500 x 600	3,00,000
12-11-2016	500 x 62	31,000	–	–	500 x 62	31,000
23-12-2016	–	–	100 x 2	200	100 x 2	200
23-12-2016	–	–	50 x 21	1,050	50 x 21	1,050
23-12-2016	–	–	20 x 11	220	20 x 11	220
23-12-2016	–	–	10 x 6	60	10 x 6	60
30-12-2016	500 x 3	1,500	–	–	500 x 3	1,500
Total Deposit		8,05,500		1,530		8,07,030

Note: In respect of non-permitted payments in SBNs Rs 85000/- and Rs.19000/- were made for wages to the workers due to unavoidable circumstances.

NOTES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

- 32 i) During the year the Company has handed over possession of entire property of Nasik Unit (Previously under discontinued operation) and also one office building at Mumbai to respective buyer on sale of the same and the sale value of Rs.221,878,787/- has been recognised in this financial statements. However the sale value of Rs.221,878,787/- remain deposited in a No-Lien account with the State Bank of India, the Monetary Agency (MA) for such sale. Settlement of amount lying with No-Lien Account would be decided in due course on submission and approval of Resolution Scheme by the NCLT.
- ii) As per Order of the erstwhile AAIFR, amount of Rs.90,000,000/- received as advance for sale property at Paper Machine, Nasik had been refunded to the party alongwith interest (Net of TDS) through the State Bank of India (MA).
- 33 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.
- 34 Debenture Redemptiom Reserve has not been created in view of brought forward loss.
- 35 Provision for taxation is not considered necessary in view of continuation of relevant provisions of the Income tax Act, 1961.
- 36 Related Party Disclosers 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)
Mr. Dwarka Khaitan (President of Papermachine Wire Industries a unit of Shalimar Wire Industries Ltd)
- (c) **Enterprises over which key management personnel and their relatives are able to exercise significant influence :**
Shalimar Industries Limited
Anil Special Steel Industries Limited

Details of transactions between the Company and related parties and the status of outstanding balances as on 31st March, 2017:

Transactions with Related Parties	Enterprises over which significant Influence exists		Key Management Personnel		Relatives to Key Management Personnel		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Remuneration:								
Mr. Sunil Kumar Khaitan	-	-	44,60,865	45,10,902	-	-	44,60,865	45,10,902
Salary & Other Perquisites								
Mr. Vedant Khaitan					9,66,145	10,06,849	9,66,145	19,72,994
Mr. Dwarka Khaitan					21,91,328	21,32,710	21,91,328	21,32,710
Balance Outstanding:								
Inter Corporate Deposit receivable								
Anil Special Steel Industries Ltd.	1,57,62,426	1,57,62,426	-	-	-	-	1,57,62,426	1,57,62,426
Shalimar Industries Limited	3,32,200	3,32,200	-	-	-	-	3,32,200	3,32,200

NOTES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

Transactions with Related Parties	Enterprises over which significant influence exists		Key Management Personnel		Relatives to Key Management Personnel		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Accounts Receivable:							-	-
Anil Special Steel Industries Ltd.	27,02,505	27,02,505	-	-	-	-	27,02,505	27,02,505
Shalimar Industries Limited	4,45,451	4,45,451	-	-	-	-	4,45,451	4,45,451
Mr. Dwarka Khaitan					20,000			
Accounts Payables:								
Mr. Sunil Kumar Khaitan	-	-	36,78,171	30,86,171	-	-	36,78,171	30,86,171
Mr. Vedant Khaitan	-	-	-	-	-	-	-	-
Mr. Dwarka Khaitan					11,45,853	14,71,571	11,45,853	14,71,571

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

b) No amount has been written off during the year in respect of due from related parties.

c) No provision for doubtful debts in respect of dues from related parties has been made.

37 The Accounts 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 erstwhile 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. However, on dissolution of the BIFR with effect from 1st December, 2016, the Company is now in the process being registered with the NCLT with suitable Resolution Scheme in continuation of the earlier DRS.

38 Discontinued Operation:

a) The Nasik Unit of the Company which had been reported under Discontinued Operation upto previous year, has been sold out during the year. Hence, there is no figure for the current year which require to be disclosed.

Particulars	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
Expenses:				
Employees Benefits		-		16,88,860
Depreciation and Amortisation		-	11,46,543	
Less: Retained Depreciation		-	-	11,46,543
Other Expenses			-	51,83,356
Total Expenses			-	80,18,759
Loss before tax from ordinary activities			-	(80,18,759)
Add : Gain on disposal of assets / Excess provision of depreciation of assets written back / Settlement of liabilities attributable to Discontinuing operation			-	46,46,883
Extraordinary Items			-	-
Profit / (Loss) from discontinuing operations after tax			-	(33,71,876)
Carrying amount of the total assets relating to discontinuing operations to be disposed off				4,43,63,391
Carrying amount of the total liabilities relating to discontinuing operations to be settled				7,78,27,307

NOTES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

Particulars	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
Net cash flow attributable to the discontinued operation				
Cash inflows / (outflow) from operating activities		-		-
Cash inflows / (outflow) from investing activities		-		-
Cash inflows / (outflow) from financing activities		-		-

b) As per the demerger 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.

39 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 :

	2016-17		2015-16	
A. Primary Segment				
A.1. Segment Revenue (Gross Sales / Income from each segment)				
(a) Paper Mill Products				
i) External Revenue	1,04,10,79,874		95,82,13,447	
ii) Inter segment Revenue	-	1,04,10,79,874	-	95,82,13,447
(b) Strip & Wire				
i) External Revenue	12,71,27,972		11,59,00,548	
ii) Inter segment Revenue	-	12,71,27,972	-	11,59,00,548
(c) Others		19,90,30,953		-
		1,36,72,38,799		1,07,41,13,995
A.2. Segment Results [(Profit / (Loss) before Tax and interest]				
(a) Paper Mill Products		11,54,16,735		8,81,74,172
(b) Strip & Wire		(2,35,39,745)		(1,04,09,190)
(c) Others		-		-
Total		9,18,76,990		7,77,64,982
Less: Interest Cost		(7,31,81,813)		(8,00,74,477)
Add: Exceptional Items : Profit on Sale of Properties of		19,90,30,953		-
Total Profit / (Loss) before Tax		21,77,26,130		(23,09,495)
A.3 Net Segment Assets				
(Segment Assets less Segment Liabilities)	As at 31st March, 2017		As at 31st March, 2016	
	Assets	Liabilities	Assets	Liabilities
(a) Paper Mill Products	1,49,53,32,171	24,86,09,133	1,26,29,92,174	20,92,94,468
(b) Strip & Wire	6,00,36,663	3,34,67,403	12,27,44,989	10,31,21,328
(c) Unallocable Items	10,65,58,010	2,62,23,06,261	8,59,40,368	2,63,55,87,385
	1,66,19,26,844	2,90,43,82,797	1,47,16,77,531	2,94,80,03,181

NOTES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

	2016-17		2015-16	
	Capital Expenditure	Depreciation	Capital Expenditure	Depreciation
A.4 Capital expenditure including capital work-in-progress and depreciation				
(a) Paper Mill Products	7,91,88,065	6,21,78,648	18,31,43,219	5,73,05,065
(b) Strip & Wire	-	10,74,952	-	32,21,165
(c) Others	-	-	-	-
Total	7,91,88,065	6,32,53,600	18,31,43,219	6,05,26,230

B. Secondary Segment

Geographical distribution of segment revenues

	Paper Mill Products	Strip & Wire	Others	Total
1. India	1,03,17,44,168	10,51,11,094	-	1,13,68,55,262
	(77,73,49,150)	(8,99,57,687)	-	(86,73,06,837)
2. European Continent	32,72,865	1,92,16,245	-	2,24,89,110
	-	(2,28,97,903)	-	(2,28,97,903)
3. African Continent	2,39,49,105	-	-	2,39,49,105
	(1,03,80,754)	-	-	(1,03,80,754)
4. U.S.A.	-	-	-	-
	(7,44,580)	-	-	(7,44,580)
5. South American Continent	-	-	-	-
	-	-	-	-
5. Other Asian Countries	18,11,44,689	28,00,633	-	18,39,45,322
	(16,97,38,963)	(30,44,958)	-	(17,27,83,921)
Total	1,24,01,10,827	12,71,27,972	-	1,36,72,38,799
	(95,82,13,447)	(11,59,00,548)	-	(1,07,41,13,995)

Note: a) The Company has disclosed business segment as the primary segment.

b) Transactions between segments are for materials which are transferred at cost.

c) 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.

d) All Segment assets and liabilities are directly attributable to the segment.

Segment assets include all operating assets used by the segment and consists principally of net fixed assets, inventories, sundry debtors, loans and advances and operating cash and bank balances. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities. Segment assets and liabilities do not include, share capital, reserves and surplus.

e) 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.

NOTES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

40 Disclosure in terms of Accounting Stanadrd-29

(a) Movement for Provision for Liabilities:

Particulars	Legal Cases (Rs)
Balance as at 1st April, 2016	3,50,000
Provided During the period	-
Amount used during the period	-
Reversed during the period	-
Balance as at 31st March, 2017.	3,50,000
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.

41 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 Providend Fund, Superannuation Fund, Employee State Insurance Scheme and Labour Welfare Fund are considered as defined contribution plan except that Providend 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	2016-17	2015-16
Employer's Contribution to Providend Fund	1,24,37,857	1,11,41,313
Employer's Contribution to Superannuation Fund	-	-
Employer's Contribution to Employee State Insurance Scheme	13,22,917	11,03,356
Employer's Contribution to Labour Welfare Fund	9,372	9,624

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) Providend 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 Providend Fund have not been made.
- iii) Any asset resulting from this calculation is limited to the discounted value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The amount recognized in the Profit and Loss Account for the year in respect of Employees Benefit Schemes based on actuarial reports is as follows :

NOTES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

	Gratuity				Leave Encashment	
	Funded		Unfunded		Funded	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Components of Employer Expense:						
Current Service Cost	3.16	2.95	35.32	33.35	57.85	22.06
Past Service Cost	-	-			-	-
Interest Cost	6.97	5.95	37.39	34.80	17.25	16.16
Expected Return on Plan Asset	(3.64)	(3.12)	(2.24)	(1.97)	-	-
Net Actuarial (gain)/loss recognized in the year	1.88	7.66	1.68	28.98	(47.98)	48.94
Expense recognized in statement of Profit & Loss Account	8.37	13.44	72.15	95.16	27.12	87.16
Change in Present Value of Defined Benefit Obligation:						
Present Value of Defined Benefit Obligation at the beginning of the year	87.11	74.40	474.14	393.41	234.81	174.51
Interest Cost	6.97	5.95	37.39	34.80	17.25	16.16
Past Service Cost	-	-	-	-	-	-
Current Service Cost	3.16	2.95	35.32	33.35	57.85	22.06
Benefits paid	(4.77)	(3.85)	(23.72)	(14.11)	(32.78)	(26.86)
Actuarial (gain)/loss	1.88	7.66	(0.24)	26.69	(47.98)	48.94
Present Value of Obligation at the end of the year	94.35	87.11	522.89	474.14	229.15	234.81
Change in fair value of Plan Assets during the year ended 31st March, 2014 :						
Plan Assets at the beginning of the year	43.53	38.46	22.52	26.81	-	-
Expected Return on Plan Assets	3.64	3.12	2.24	1.97	-	-
Actual Company Contribution	9.80	5.80	38.20	10.14	32.78	26.86
Benefits Paid	(4.77)	(3.85)	(23.72)	(14.11)	(32.78)	(26.86)
Actuarial (gain)/loss	-	-	(1.92)	(2.29)	-	-
Plan Assets at the end of the year	52.20	43.53	37.32	22.52	-	-
Net Asset/(Liability) recognized in the Balance Sheet as at 31st March, 2014 :						
Present value of Defined Benefit Obligation	94.35	87.11	522.89	474.14	229.15	234.81
Fair Value on Plan Assets	52.20	43.53	37.32	22.52	-	-
Funded Status [Surplus/(Deficit)]	(42.15)	(43.58)	(485.57)	(451.62)	(229.15)	(234.81)
Net Asset/(Liability) recognized in Balance Sheet	(42.15)	(43.58)	(485.57)	(451.62)	(229.15)	(234.81)
Actuarial Assumptions:						
Discount Rate(per annum)	8%	8%	7.5%	8%	7.5% / 7.75%	8%/7.75%
Expected rate of return on Plan Assets(per annum)	-	-	7.5%	8%	7.5%	8%
Salary increases	7%	7%	6%	6%	6% / 7.5%	6%/7.5%
Retirement / Superannuation age	58 years	58 years	58 years	58 years	58 years	58 years
Mortality	Indian Assured	Indian Assured	Indian Assured	Indian Assured	Indian Assured	Indian Assured

NOTES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

	Gratuity				Leave Encashment	
	Funded		Unfunded		Funded	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
	Lives (2006-08)	Lives (2006-08)	Lives (2006-08)	Lives (2006-08)	Lives (2006-08)	Lives (2006-08)
	Ultimate Mortality	Ultimate Mortality	Ultimate Mortality	Ultimate Mortality	Ultimate Mortality	Ultimate Mortality
	Rates.	Rates.	Rates.	Rates.	Rates.	Rates.
Major Category of Plan Assets as a % of the Total Plan Assets as at year end:	-	-	100%	100%	NA	NA
Experience Adjustments:						
Defined Benefit Obligation	94.35	87.11	522.89	474.14	229.15	234.81
Plan Assets	52.20	43.53	37.32	22.52	-	-
Funded Status	(42.15)	(43.58)	(485.57)	(451.62)	(229.15)	(234.81)
Experience Gain/(Loss) adjustments on Plan Liabilities	1.88	7.66	(0.24)	26.69	(47.98)	48.94
Experience Gain/(Loss) adjustments on Plan Assets	-	-	(1.92)	(2.29)	-	-
Expected Employer's Contribution for the next year:						
Expected Employer's Contribution for the next year	-	-	148.07	117.69	118.90	79.71

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 -25
- 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.

42 Earning Per Shares	2016-17	2015-16
a) Net Profit/(Loss) after tax available for equity shareholders	21,77,26,130	(23,09,493)
b) Weighted average number of Basic Equity Shares of Rs.2/- each outstanding during the year.(No.of shares)	3,76,05,123	3,76,05,123
c) Weighted average number of Diluted Equity Shares of Rs.2/- each outstanding during the year.(No.of shares)	3,76,05,123	3,76,05,123
d) Basic Earning Per Shares (Rs) a/b	5.79	(0.06)
e) Diluted Earning Per Shares (Rs) a/c	5.79	(0.06)

NOTES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

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

As per our report of even date attached.

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

Chartered Accountants

FR NO. 302034E

CA P. K. Bhattacharya

Partner

Membership No.015899

Kolkata, 16th May, 2017

Sunil Khaitan

Managing Director

Dipak Dasgupta

Director

S. J. Sengupta

Sr V.P.& CFO

S. K. Kejriwal

Company Secretary