

The Board of Directors

Shalimar Wire Industries Limited

Independent Auditor's Report on the Statement of Financial Results

We have audited the accompanying Statement containing the annual audited financial results of Shalimar Wire Industries Limited (the "Company") for the year ended 31st March, 2020 together with the notes thereon (hereinafter referred to as the "Statement"), which we have signed under reference to this report.

Management's Responsibility for the Financial Results

Management is responsible for the preparation of the accompanying Statement. The Management is also responsible for the preparation of the annual statutory financial statements in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 (the "accounting principles generally accepted in India"), basis which the above Statement containing the annual audited financial results has been prepared. The responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility for the Financial Results

Our responsibility is to express an opinion on the Statement based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("the Act") and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. 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 disclosures in the Statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Statement.

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

Opinion

Subject to the following, in our opinion and to the best of our information and according to the explanations given to us:

- (i) the Statement, together with the notes thereon are presented in the format prescribed under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and



- (ii) the Annual audited financial results for the year ended 31st March, 2020 as set out in the Statement gives a true and fair view of the total comprehensive income (comprising of loss and other comprehensive income), and other financial information of the Company for the year ended 31st March, 2020 in accordance with the accounting principles generally accepted in India.

Emphasis of Matter

- (i) We draw attention to Note No. 41 to the standalone financial statements which explain the pandemic COVID-19 spread that has caused significant disruptions in the business operations of companies across India and has caused significant accounting and auditing challenges. One such challenge being inability for the Company to conduct a physical verification of inventories for the year-end 31st March, 2020 due to Government having imposed restrictions during the lockdown on account of health, travel and safety concerns.

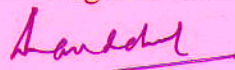
The Company's management, however, conducted physical verification of inventories on dates other than the date of financial statements and has made available the documents in confirmation thereof. Inventories, being material to the financial statements/results of the Company, the Standard on Auditing (SA) 501, *Audit Evidence - Specific Considerations for Selected items*, cast a duty on us to obtain sufficient appropriate audit evidence regarding the existence and condition of inventories.

- (ii) We draw your attention to Note 5 of the financial results regarding the figures for the quarter ended 31st March, 2020, which are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures up to the third quarter of the current financial year. Our opinion is not qualified in respect of this matter.
- (iii) The Statement dealt with by this report has been prepared for the express purpose of filing with stock exchanges on which the Company's shares are listed. This Statement is based on and should be read with the audited Financial Statements of the Company for the year ended 31st March, 2020 on which we issued an unmodified audit opinion vide our report dated 30th July 2020

Restriction on Use

This report is addressed to the Board of Directors of the Company and has been prepared for and only for the purposes set out in paragraph (ii) above of Emphasis of Matter. This report should not be otherwise used by any other party for any other purpose.

For **KHANDELWAL RAY & CO**
Chartered Accountants
Firm Registration No: 302035E



CA.S.Khandelwal
Partner

Membership No: 054451

Place: Kolkata
Date: 30th July, 2020



STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST MARCH, 2020

STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST MARCH, 2020

Rs. in lacs

| Particulars | | As at 31st March, 2020 | | As at 31st March, 2019 | |
|-----------------------------------|----------|------------------------|-----------|------------------------|-----------|
| | | Audited | | Audited | |
| A. ASSETS | | | | | |
| 1 Non-current assets | | | | | |
| (a) Property, Plant and Equipment | | 6,762.75 | | 7,300.81 | |
| (b) Capital work-in-progress | | 4,090.98 | | 2,092.26 | |
| (c) Other Intangible assets | | 39.54 | | 42.92 | |
| (d) Financial Assets | | | | | |
| (i) Investments | 1.53 | | 1.53 | | |
| (ii) Others financial assets | | 1.53 | - | 1.53 | |
| Total non-current assets | | 654.84 | | 725.27 | |
| (c) Other | | | 11,549.65 | | 10,162.79 |
| 2 Current assets | | | | | |
| (a) Inventories | | 3,508.34 | | 2,740.45 | |
| (b) Financial Assets | | | | | |
| (i) Trade receivables | 2,880.00 | | 3,017.36 | | |
| (ii) Cash and cash equivalents | 228.19 | | 275.99 | | |
| (iii) Other Bank balances | 635.10 | | 635.59 | | |
| (vi) Others financial assets | - | 3,743.30 | - | 3,928.93 | |
| Total current assets | | 1,018.35 | | 908.63 | |
| (c) Other | | | 8,269.99 | | 7,578.01 |
| Total Assets | | | 19,819.64 | | 17,740.80 |
| B. EQUITY AND LIABILITIES | | | | | |
| I Equity | | | | | |
| (a) Share capital | | 855.10 | | 855.10 | |
| (a) Equity | | 3,443.11 | | 3,744.07 | |
| (b) Other | | - | 4,298.22 | | 4,599.18 |
| Total Equity | | | | | |
| II LIABILITIES | | | | | |
| 1 Non-current liabilities | | | | | |
| (a) Financial Liabilities | | | | | |
| (a) Financial Borrowings | 7,752.31 | | 7,780.44 | | |
| (d) Other financial liabilities | - | | - | | |
| (d) Other | | 7,752.31 | | 7,780.44 | |
| Total Provisions | | 604.88 | | 612.78 | |



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| | (c) Other non-current liabilities | 216.51 | 8,573.00 | 213.19 | 8,606.42 |
|---|-----------------------------------|----------|-----------|----------|-----------|
| | Total Non-Current Liabilities | | | | |
| 2 | Current liabilities | | | | |
| | (a) Financial Liabilities | | | 369.92 | |
| | (i) Borrowings | 473.12 | | 2,219.33 | |
| | (ii) Trade payables | 4,084.91 | | 1,198.24 | |
| | (iii) Other financial liabilities | 1,327.84 | | 3,787.50 | |
| | | 5,885.87 | | 595.58 | |
| | (b) Other current liabilities | 895.03 | | 152.13 | 4,535.21 |
| | (c) Provisions | 166.82 | 6,947.12 | | 13,141.62 |
| | Total Liabilities | | 15,521.64 | | 17,740.80 |
| | Total Equity and Liabilities | | 19,819.60 | | |

STATEMENT OF THE FINANCIAL RESULT FORB THE QUARTER ENDE 31ST MAR

Notes:

- The financial results of the company have been prepared in accordance with Indian Accounting Standard (Ind AS) prescribed under section 133 of Companies Act 2013 read with the relevant rules thereunder and in terms of regulation 5 and SEBI circular dated 5th July, 2016.
- No provision has been made in respect of the following considered as Contingent Liabilities against the company not acknowledge as debts Rs.77.28 lacs
 i) Claims of various Government Activities (Sales Tax, Excise etc) under Appeal
 ii) Liability likely to arise on re-opening of cases by various authorities, amount upto Rs. 493.83 lacs.
 iii) Demands of various Government Authorities (Sales Tax, Excise etc) under Appeal ascertained.
 iv) Their Sanction letter dated 13.02.2018, Rs.20 crores (with a sublimit of Rs. 5 crores)
- i) During the financial year 2017-18 Kotak Mahindra Bank Ltd(KMBL), pursuant to sanctioned credit facilities of Rs 32 crore overall segregated into (a) a term loan of Rs.12 crores towards cash credit facilities) and (b) non-fund facility towards Letter of Credit. The term loan is repayable in 60 monthly instalments with a moratorium of one year. Letters of Credit are proposed to be utilised for import of machineries for the proposed expansion project. During the term loan for settlement of ARCIL. year ended March 31, 2018 the company availed Rs.18 crores out of the sanctioned Rs.20 crores (with a sublimit of Rs. 5 crores) being sale proceeds of assets kept as margin for the term loan for settlement of ARCIL. 7th April, 2018 the State Bank of India (SBI) being sale proceeds of assets kept as margin for the term loan for settlement of ARCIL. Rs.18 crore to KMBL (out of amount Rs.20 crores) being sale proceeds of assets kept as margin for the term loan for settlement of ARCIL. plan currently being envisaged by the Company in FY 2018 and 20/11/2018, has revised Rs.49.46 crores (including Forex Fwd and Capital Limit of Rs. 5 crores).



| HALIMAR WIRES INDUSTRIES LIMITED | | | | | | | | | |
|---|--|-------------------------------------|-------------------------------------|---------------------------------------|---------------------------------|---------------------------------|--|---------------|--|
| ANNUAL RESULTS FOR THE QUARTER AND YEAR END | | | | | | | | | |
| STATEMENT OF AUDITED FIN. | | 31ST MARCH, 2020 | | Year ended (31/03/2020) Audited | | Year ended (31/03/2019) Audited | | (Rs. in Lacs) | |
| Sl No | Particulars | 3 months ended (31/03/2020) Audited | 3 months ended (31/03/2019) Audited | 3 months ended (31/12/2019) Unaudited | Year ended (31/03/2020) Audited | Year ended (31/03/2019) Audited | | | |
| I | Revenue from operations | 2,308.21 | 3,154.27 | 300.01 | 11,045.79 | 11,467.44 | | | |
| | a) Sales of Products (Net of GST) | 28.30 | 43.52 | 2.49 | 53.69 | 67.10 | | | |
| | b) Other Operating Revenue | 2,336.51 | 3,196.80 | 2,338.62 | 11,099.48 | 11,534.55 | | | |
| | | 239.39 | 214.79 | 343.60 | 705.16 | 333.78 | | | |
| II | Other Income | 2,575.90 | 3,411.59 | 2.2 | 11,804.64 | 11,868.33 | | | |
| III | Total Revenue (I+II) | | | | 3,611.35 | 3,511.89 | | | |
| IV | Expenses | 575.56 | 875.72 | 247.39 | 545.04 | - | | | |
| | a) Cost of materials Consumed | 198.89 | - | 306.91 | (826.14) | 31.40 | | | |
| | b) Purchase of Traded Goods | (128.42) | 83.43 | 762.49 | 2,780.92 | 2,695.97 | | | |
| | c) Changes in inventories of finished goods, Work in progress and Stock in trade | 501.15 | 620.39 | 171.78 | 1,172.82 | 881.31 | | | |
| | d) Employee benefit expenses | 379.72 | 326.35 | 339.33 | 864.22 | 504.81 | | | |
| | e) Finance Cost | 446.98 | 55.38 | 335.59 | 3,990.21 | 4,755.95 | | | |
| | f) Depreciation and amortisation expense | 1,059.00 | 2,136.61 | 107.76 | 12,138.43 | 12,381.32 | | | |
| | g) Other Expenses | 3,032.89 | 4,095.87 | 35.85 | (333.78) | (512.99) | | | |
| | Total Expenses | (456.98) | (684.28) | (35.85) | (333.78) | (512.99) | | | |
| V | Profit / (Loss) before exceptional items and Tax (III-IV) | | | | | | | | |
| VI | Exceptional Items: Income/(Expense) | | | | | | | | |
| VII | Profit/(Loss) before tax (V-VI) | | (684.28) | | (333.78) | (512.99) | | | |
| VIII | Tax Expense | | | | | | | | |
| | Current Tax | | | | | | | | |
| | Deferred Tax | | (684.28) | | | | | | |
| IX | Profit/(Loss) from Ordinary Activities after Tax (VII-VIII) | | (684.28) | | (333.78) | (512.99) | | | |
| X | Extraordinary items (net of tax expense) | | (684.28) | | | | | | |
| XI | Profit/(Loss) for the period (IX-X) | 32.82 | (21.24) | | 32.82 | (21.24) | | | |
| XII | Other Comprehensive Income (Net of tax, in charges) | (424.16) | (705.52) | | (300.96) | (534.23) | | | |
| XIII | Total Comprehensive Income (XI+XII) | | | | | | | | |
| | Paid-up Equity Share Capital | 855.10 | 855.10 | 85.10 | 855.10 | 855.10 | | | |
| | a) Fully Paid Up (Rs.2/- Each Fully Paid Up Rs.2/- Each Fully Paid Up) | | | | | | | | |
| | b) Partly Paid Up | | | | 3,443.11 | 3,744.07 | | | |
| | Reserves Excluding Revaluation Reserves | | | | | | | | |
| | As per Balance Sheet of Previous Accounting Year | | | | | | | | |
| | Earning per Share (EPS) | (1.07) | (1.60) | | (0.78) | (1.20) | | | |
| | a) Basic & Diluted EPS (Rs.) | (1.07) | (1.60) | | (0.78) | (1.20) | | | |
| | b) Basic & Diluted EPS (Rs.) | | | | | | | | |
| | PARTICULARS OF SHARE HOLDING | | | | | | | | |
| | 1) Public Shareholding | 1,46,90,796 | 1,49,31,141 | 1,796 | 1,46,90,796 | 1,49,31,141 | | | |
| | - Number of Equity Shares | 34,36% | 31,92% | 34,327 | 34,36% | 34,327 | | | |
| | - Percentage of Shareholding | 2,80,64,327 | 2,78,23,982 | 2,80,64 | 2,80,64,327 | 2,78,23,982 | | | |
| | 2) Promoters and Promoter Group Shareholding | | | | | | | | |
| | a) Pledged/Encumbered | 1,52,22,374 | 1,52,22,374 | 1,52,22,374 | 1,52,22,374 | 1,52,22,374 | | | |
| | - Number of Shares | 54,24% | 54,71% | 54,24% | 54,24% | 54,71% | | | |
| | - Percentage of Shares (as a % of the total Shareholding of the Company) | 35,60% | 35,60% | 35,60% | 35,60% | 35,60% | | | |
| | Promoter and Promoter Group | | | | | | | | |
| | - Percentage of Shares (as a % of the total Shareholding of the Company) | | | | | | | | |
| | b) Non-Encumbered | 1,28,41,953 | 1,26,01,608 | 1,28,41 | 1,28,41,953 | 1,26,01,608 | | | |
| | - Number of Shares | 45,76% | 45,29% | 45,76% | 45,76% | 45,29% | | | |
| | - Percentage of Shares (as a % of the total Shareholding of the Company) | 30,04% | 29,47% | 30,04% | 30,04% | 29,47% | | | |
| | Promoter and Promoter Group | | | | | | | | |
| | - Percentage of Shares (as a % of the total Shareholding of the Company) | | | | | | | | |

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SHALIMAR WIRES INDUSTRIES LIMITED

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2020

| Sl No | Particulars | Rs. in lacs | | |
|-------|--|-------------------------------------|-------------------------------------|---------------------------------|
| | | 3 months ended (31/03/2020) Audited | 3 months ended (31/03/2019) Audited | Year ended (31/03/2020) Audited |
| 1 | Total Income from Operations | 2,336.51 | 3,196.80 | 11,099.48 |
| 2 | Net Profit / (Loss) for the period (before Tax, Exceptional and/or Extraordinary items) | (456.98) | (684.28) | (333.78) |
| 3 | Net Profit / (Loss) for the period before tax (after Exceptional and/or Extraordinary items) | (456.98) | (684.28) | (333.78) |
| 4 | Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items) | (456.98) | (684.28) | (333.78) |
| 5 | Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)] | (424.16) | (705.52) | (300.96) |
| 6 | Equity Share Capital | 855.10 | 855.10 | 855.10 |
| 7 | Earnings Per Share (of Rs. 2/- each) (for continuing and discontinued operations) - | | | |
| | Basic: | (1.07) | (1.60) | (0.78) |
| | Diluted: | (1.07) | (1.60) | (0.78) |

Note:

The above is an extract of the detailed format of audited Financial Results of the Company for the Quarter and year ended 31st March, 2020 filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing of the Other Disclosure Requirements) Regulations, 2015. The full format of the Quarterly Financial Results of the Company are available on the websites www.shalimarwires.com of the Company and Stock Exchange.



| SHALIMAR WIRES INDUSTRIES LIMITED | | CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020 | | |
|--|-------------------------------|--|--|--|
| PARTICULARS | FOR THE YEAR ENDED 31.03.2020 | FOR THE YEAR ENDED 31.03.2019 | | |
| A. Cash Flow from Operating Activities : | | | | |
| Net Profit (Loss) before Tax | (333.78) | (512.99) | | |
| Adjustments For : | | | | |
| Depreciation and amortisation expense | 864.22 | 504.81 | | |
| (Profit) / Loss on Sale / Discard of Tangible Fixed Assets | (254.11) | 4.99 | | |
| Exceptional Items | - | - | | |
| Interest Income | (41.16) | (111.85) | | |
| Fair value gain/(loss) on Investments | - | - | | |
| Finance Cost | 1,172.82 | 881.31 | | |
| Sundry Balances Written Off | 2.89 | 11.48 | | |
| Provision for Doubtful Debt | - | - | | |
| Debits and advances written off | 36.82 | - | | |
| Operating Profit before Working Capital Changes | 1,447.70 | 777.75 | | |
| Adjustments For: | | | | |
| Increase/(Decrease) in Other Non Current Financial Liabilities | - | (43.43) | | |
| Increase/(Decrease) in Other Non Current Liabilities | 3.32 | (3.45) | | |
| Increase/(Decrease) in Non Current Provisions | 24.92 | (45.74) | | |
| Increase/(Decrease) in Current Provisions | 14.68 | 54.35 | | |
| Increase/(Decrease) in Trade Payables | 1,865.58 | 674.26 | | |
| Increase/(Decrease) in Other Current Financial Liabilities | 129.60 | 220.67 | | |
| Increase/(Decrease) in Other Current Liabilities | 299.45 | 36.64 | | |
| Decrease/(Increase) in Non-Current Investment | - | - | | |
| Decrease/(Increase) in Non Current Assets | - | - | | |
| Decrease/(Increase) in Other Non-Current Assets | 68.11 | 421.08 | | |
| Decrease/(Increase) in Inventories | (767.89) | (244.45) | | |
| Decrease/(Increase) in Trade Receivables | 100.53 | 264.79 | | |
| Decrease/(Increase) in Current Assets | - | - | | |
| Decrease/(Increase) in Other Current Financial Assets | - | - | | |
| Decrease/(Increase) in Other Current Assets | (109.72) | (590.78) | | |
| Cash Generated from / (used in) Operating Activities | 3,076.28 | 1,521.70 | | |
| Tax Expense | (0.57) | 41.48 | | |
| Net Cash Flow from/(used in) Operating Activities | 3,075.71 | 1,563.18 | | |
| B. Cash Flow from Investing Activities : | | | | |
| Interest Income | 41.16 | 111.85 | | |
| Addition to Tangible Fixed Assets | (2,893.84) | (4,667.96) | | |
| Addition to Intangible Fixed Assets | (10.61) | (3.35) | | |
| Sale of Tangible Fixed Assets | 837.06 | 5.34 | | |
| Net Cash flow from/(used in) Investing activities (B) | (2,026.24) | (4,554.11) | | |
| C. Cash Flow from Financing Activities : | | | | |
| Proceeds from Equity Shares | - | - | | |



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| | | |
|--|------------|------------|
| Proceeds from Long term Borrowings | (28.13) | 1,252.68 |
| Proceeds from Short term Borrowings | 103.20 | 253.89 |
| Exceptional Items | | |
| Interest Expense | (1,172.82) | (881.31) |
| Net Cash Flow from Financing Activities (C) | (1,097.75) | 625.26 |
| Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C) | (48.28) | (2,365.67) |
| Closing Balance of Cash & cash Equivalents | 863.30 | 911.58 |
| Opening Balance of Cash & cash Equivalents | 911.58 | 3,277.25 |
| Net Increase / (Decrease) in Cash & Cash Equivalents | (48.28) | (2,365.67) |
| | 0 | 0 |

Notes :

- The above Cash Flow Statement has been prepared under the " Indirect Method " as set out in Indian Accounting Standard (Ind AS)-7 on Statement of Cash Flows.
- Additions to Fixed Assets include movement of Capital Work in Progress during the year.
- Proceeds from Long Term Borrowings are shown net of repayments.
- Figures in brackets represent cash outflow from respective activities.
- Cash & Cash Equivalents do not include any amount which is not available to the Company for its use.
- As breakup of Cash & Cash Equivalents is also available in Note No.9, 10 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.

The accompanying notes 1 to 43 are an integral part of these financial statements

For and on behalf of Board of Directors

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

Sunil Khaitan
Managing Director

Prakash Tiwari
Director

S.K. Verma
Company Secretary

S. S. Gupta
President & CFO

Dated: 30th July, 2020

