



wires & fabriks

The Secretary
The Calcutta Stock Exchange Ltd.
7, Lyons Range,
Kolkata - 700001

● **WIRES AND FABRIKS (S. A.) LIMITED**
7, CHITTARANJAN AVENUE, KOLKATA-700 072, INDIA
Phone : 91-33-4012 4012
E-mail : wfcsl@wirefabrik.com
Website : www.wirefabrik.com

AN ISO 9001 - 2015 COMPANY

CIN : L29265WB1957PLC023379

● PAPER MACHINE CLOTHING PAPER MAKING CHEMICALS

Date: 21.07.2021

Scrip Code: BSE-507817, CSE-10033008

Dear Sir/Madam,

Sub.: Annual Report 2020-21 and Notice of the 64th Annual General Meeting (AGM)

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report for the financial year 2020-21 along with the Notice of the 64th AGM of the Company, which is being sent to the Members.

This is for your information and records.

Thanking you,

Yours Faithfully,

For **WIRES AND FABRIKS (S.A.) LIMITED**

Jaspreet Singh Dhir

Jaspreet Singh Dhir
Company Secretary & Compliance Officer
Membership No. A40826



Enclosed: As above

cc: BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai 400001

we take quality seriously

WORKS : INDUSTRIAL AREA, JHOTWARA, JAIPUR-302012 ● PHONE : (91) 0141-2341722 ● FAX : (91) 0141-2340689 ● E-mail : info@wirefabrik.com



Wires and Fabriks (S.A.) Limited

(CIN: L29265WB1957PLC023379)

Regd. Office: 7 Chittaranjan Avenue, Kolkata - 700072

Phone: 91 33 4012-4012, E-mail: cs@wirefabrik.com, Website: www.wirefabrik.com

Notice of the 64th Annual General Meeting – 2021

NOTICE is hereby given that the 64th Annual General Meeting of the Members of the Company will be held on Thursday, the 12th day of August, 2021 at 15:00 Hrs IST through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”) to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2021 together with Directors' Report and Auditors' Report thereon.
2. To declare dividend on the equity shares for the year ended 31st March, 2021.
3. To appoint a Director in place of Mrs. Pranika Khaitan Rawat (DIN 07062242), who retires by rotation and being eligible offers herself for re-appointment.

Special Business:

To consider and if thought fit, to pass with or without modifications the following Resolutions as Special Resolutions:

Item No. 4

“RESOLVED that pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, and Rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, consent of the Company be and is hereby accorded for re-appointment of Mr. Kishan Kumar Khaitan (DIN 00514864) with change in his designation from Chairman cum Managing Director of the Company to Executive Chairman of the Company for a period of 5 (five) years with effect from 1st April, 2022 to 31st March, 2027 and payment of remuneration to Mr. Kishan Kumar Khaitan (DIN 00514864) for the period of 3 (three) years from 1st April, 2022 to 31st March, 2025 as set out in the Explanatory Statement to this Resolution and also contained in the draft agreement to be executed between the Company and Mr. Kishan Kumar Khaitan (DIN 00514864), submitted to this meeting. The said agreement be and is hereby specifically approved and sanctioned with the liberty to the Board of Directors to alter and vary all/any terms and conditions of the remuneration and/or agreement subject to the same not exceeding the limits as approved by the shareholders, in such manner as the Board may deem fit and agreed to by Mr. Kishan Kumar Khaitan (DIN 00514864).”

“RESOLVED FURTHER that where in any financial year, the Company has no profits or its profits are inadequate, the said remuneration shall be paid as minimum remuneration for the period of 3 (three) years with effect from 1st April, 2022 to 31st March, 2025.”

“RESOLVED FURTHER that the Board of Directors be and is hereby authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be considered necessary, appropriate, expedite or desirable to give effect to the aforesaid resolutions.”

Item No. 5

“RESOLVED that pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, and Rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, consent of the Company be and is hereby accorded for re-appointment of Mr. Mahendra Khaitan (DIN 00459612) as Managing Director of the Company for a further period of 5 (five) years with effect from 1st April, 2022 to 31st March, 2027 and payment of remuneration to Mr. Mahendra Khaitan (DIN 00459612) for the period of 3 (three) years from 1st April, 2022 to 31st March, 2025 as set out in the Explanatory Statement to this Resolution and also contained in the draft agreement to be executed between the Company and Mr. Mahendra Khaitan (DIN 00459612), submitted to this meeting. The said agreement be and is hereby specifically approved and sanctioned with the liberty to the Board of Directors to alter and vary all/any terms and conditions of the remuneration and/or agreement subject to the same not exceeding the limits as approved by the shareholders, in such manner as the Board may deem fit and agreed to by Mr. Mahendra Khaitan (DIN 00459612).”

“RESOLVED FURTHER that where in any financial year, the Company has no profits or its profits are inadequate, the said remuneration shall be paid as minimum remuneration for the period of 3 (three) years with effect from 1st April, 2022 to 31st March, 2025.”

“RESOLVED FURTHER that the Board of Directors be and is hereby authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be considered necessary, appropriate, expedite or desirable to give effect to the aforesaid resolutions.”

Item No. 6

"RESOLVED that pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, and Rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, consent of the Company be and is hereby accorded for re-appointment of Mr. Devesh Khaitan (DIN 00820595) with change in his designation from Executive Director of the Company to Joint Managing Director of the Company for a period of 5 (five) years with effect from 1st April, 2022 to 31st March, 2027 and payment of remuneration to Mr. Devesh Khaitan (DIN 00820595) for the period of 3 (three) years from 1st April, 2022 to 31st March, 2025 as set out in the Explanatory Statement to this Resolution and also contained in the draft agreement to be executed between the Company and Mr. Devesh Khaitan (DIN 00820595), submitted to this meeting. The said agreement be and is hereby specifically approved and sanctioned with the liberty to the Board of Directors to alter and vary all/any terms and conditions of the remuneration and/or agreement subject to the same not exceeding the limits as approved by the shareholders, in such manner as the Board may deem fit and agreed to by Mr. Devesh Khaitan (DIN 00820595)."

"RESOLVED FURTHER that where in any financial year, the Company has no profits or its profits are inadequate, the said remuneration shall be paid as minimum remuneration for the period of 3 (three) years with effect from 1st April, 2022 to 31st March, 2025."

"RESOLVED FURTHER that the Board of Directors be and is hereby authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be considered necessary, appropriate, expedite or desirable to give effect to the aforesaid resolutions."

NOTES:

- A. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs ("MCA") followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time (collectively referred to as "MCA Circulars"), MCA has permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
- B. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- C. Institutional/Corporate members intending to attend the Meeting through authorised representatives are requested to send a certified copy of the Board or governing body Resolution/Authorization, authorising their representative to attend and vote through remote e-voting on their behalf at the Meeting.
- D. The Register of Members and Share Transfer Books of the Company shall remain closed from **Friday, the 6th day of August, 2021 to Thursday, the 12th day of August, 2021 (both days inclusive)**, for the purpose of payment of dividend for the financial year ended 31st March, 2021. The dividend, if approved and declared at the forthcoming Annual General Meeting, will be paid, to those shareholders whose name appears in the Register of Members/in the records of National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) as beneficial owners at the close of **5th day of August, 2021**.
- E. **Shareholders who have so far neither received nor encashed dividend warrants for any of the financial years ended 31st March, 2014 and thereafter, may claim or approach the Company for payment.** Pursuant to provisions of Section 124(5) of the Companies Act, 2013, dividend for the financial year 2013-2014 and thereafter, which remains unpaid or unclaimed for a period of 7 years from the date they became due for payment will be transferred to Investor Education and Protection Fund (IEPF) of the Central Government. **All unpaid/unclaimed dividends for the financial years up to 2012-2013 have been transferred to the IEPF set up by the Central Government.**

As per provisions of Section 124(6) of the Companies Act, 2013, all shares in respect of which, dividend for the financial year 2013-2014 and thereafter, has not been paid or claimed for 7 consecutive years or more will be transferred by the company in the name of Investor Education and Protection Fund (IEPF) of the Central Government. All shares in respect of which, dividend for the financial year 2012-2013 and thereafter, has not been paid or claimed for 7 consecutive years or more has been transferred by the company in the name of Investor Education and Protection Fund (IEPF) of the Central Government.

- F. As required by Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the information relating to Directors who are proposed to be re-appointed are given in following order: Name of the Director, Age, Educational Qualification, Date of Appointment, Brief Profile and Area of Expertise, Other Directorships & Committee Memberships (in listed entities), relationship with other Directors and Shareholding.

Mrs. Pranika Khaitan Rawat (DIN: 07062242), aged 32 years, holds the degree of M.Sc (International Management) from the University of Exeter, U.K. She has also done a course on Leadership in Organisations from London School of Economics, London and is a Bachelor of Arts in Fashion Communication from National Institute of Fashion and Technology, New Delhi. Mrs. Khaitan joined the Company as Non Executive Director (Non Independent) with effect from 05.02.2015. Her knowledge adds value to the Board of the Company. She does not hold Directorships or Committee Memberships in any other listed entities. Mrs. Khaitan holds 5000 equity shares of the Company in her name. She is the daughter of Shri Mahendra Khaitan, Managing Director of the Company.

- G. As per the provisions of the Companies Act, 2013, the facility for making nominations is available to the shareholders in respect of the equity shares held by them. Members holding shares in physical form may send their request in duly filled and signed prescribed Form SH-13 at Company's Registered Office address. This facility is made available folio wise to individual shareholders including joint holders and for the entire shares registered under the folio. Members holding shares in dematerialised form may contact and consult their respective depository participants (DP) for availing the nomination facility.
- H. In the case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

- I. Members are requested to intimate to the Company, through email, addressed to cs@wirefabrik.com, their Queries, if any, regarding accounts at least seven days before the Meeting to enable the management to keep the required information ready to be replied at the Meeting.
- J. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Registered Office of the Company on all working days during business hours up to the date of the Meeting.
- K. To avoid loss of dividend warrants in transit and undue delay in respect of receipt of dividend warrants, the Company has provided a facility to the Members for remittance of dividend through the Electronic Clearing System (ECS). Members holding shares in physical form and desirous of availing this facility are requested to contact the Company's Registrar and Transfer Agent, M/s ABS Consultant Private Limited, 99 Stephen House, 6th Floor, 4 B.B.D. Bag (E), Kolkata 700001.
- L. Since the Equity Shares of the Company are under compulsory demat trading. Equity Shares of the company are admitted with NSDL and CDSL, both the Depositories and bearing ISIN No. INE469D01013. All the queries related to this may please be forwarded directly to the Company's Registrar. Further as per SEBI notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 read with Notification No. SEBI/LAD-NRO /GN/2018/49 dated 30th November, 2018, requests for effecting transfer of shares cannot be processed unless the shares are held in dematerialized form w.e.f April 1, 2019, except in case of transmission or transposition of securities. Therefore shareholders are requested to get their physical shareholdings converted into demat form at the earliest.
- M. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail address with M/s. ABS Consultants Private Limited, Registrar and Transfer Agent of the Company.
- N. In compliance with the aforesaid MCA Circulars and SEBI Circular dated January 15, 2021 read with SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice of the AGM and Annual Report 2020-21 will also be available on the Company's website www.wirefabrik.com and on the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com.
- O. Members holding physical shares in multiple folios' are requested to consolidate their holdings for overall convenience.
- P. Members holding shares in physical form are requested to provide/update the following details as listed below, for speedy disbursement of dividend to their bank account through electronic mode and speedy communication.
- Attached Form duly filled in and signed by all holders.
 - Self-Attested Copy of Pan Card of all holders.
 - Cancelled Cheque Leaf having Name (if name is not printed on cheque - self-attested copy of first page of pass book) of all holders.

As mandated by Securities and Exchange Board of India by their Circular no. SEBI/HO/MIRSD/DOP1 /CIR/P/2018/73 dated 20th April, 2018, it is compulsorily required to update the Bank details of all security holders of listed companies in RTA's / Depository Participant's records, for processing the payment of dividend.

The share holders holding shares in demat mode, may contact their respective Depository Participants for updating NECS details.

- Q. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.
- R. Instructions for e-voting and joining the AGM are as follows:
1. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means.
 2. **The remote e-voting period begins on Monday, 9th August, 2021 at 9:00 A.M. (IST) and ends on Wednesday, 11th August, 2021 at 5:00 P.M. (IST). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 5th August, 2021, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.**
 3. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
 4. The Company has engaged the services of NSDL as the Agency to provide e-voting facility.
 5. The Board of Directors of the Company has appointed Mr. Mayank Daga, Practicing Company Secretary, (Membership No. A41279), as Scrutinizer to scrutinize the remote e-voting process and e-voting during the AGM in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
 6. **Instructions for remote e-voting are as under:**




The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

<u>Type of shareholders</u>	<u>Login Method</u>
Individual Shareholders holding securities in demat mode with NSDL.	<p>(i) Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>(ii) If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>(iii) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>(iv) Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>
Individual Shareholders holding securities in demat mode with CDSL	<p>(i) Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.</p> <p>(ii) After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</p> <p>(iii) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>(iv) Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- (i) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- (ii) Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- (iii) A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. *Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
- (iv) Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- (v) Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - 1. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - 2. If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
- (vi) If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- (vii) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- (viii) Now, you will have to click on "Login" button.
- (ix) After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

- (i) After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- (ii) Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
- (iii) Now you are ready for e-Voting as the Voting page opens.
- (iv) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- (v) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (vi) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- (vii) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- (i) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to scrutinizer@wirefabrik.com with a copy marked to evoting@nsdl.co.in.
- (ii) Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. 5th August, 2021, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. **1800 1020 990 and 1800 22 44 30** . In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 5th August, 2021 may follow steps mentioned in the Notice of the AGM under Step 1 : "Access to NSDL e-Voting system"(Above).
- (iii) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.
- (iv) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request toto Mr. Amit Vishal, Senior Manager and /or Ms. Pallavi Mhatre, Manager at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

- (i) In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@wirefabrik.com.
- (ii) In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (cs@wirefabrik.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
- (iii) Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
- (iv) In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

- (i) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- (ii) Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- (iii) Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- (iv) The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:

- (i) Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
 - (ii) Members are encouraged to join the Meeting through Laptops for better experience.
 - (iii) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 - (iv) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
 - (v) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at cs@wirefabrik.com.
 - (vi) Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@wirefabrik.com. The same will be replied by the company suitably.
 - (vii) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
 - (viii) When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
 - (ix) The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.
 - (x) Members who need assistance before or during the AGM, can contact Mr. Amit Vishal, Senior Manager, NSDL and / or Ms. Pallavi Mhatre, Manager, NSDL at evoting@nsdl.co.in or call 1800 1020 990 / 1800 22 44 30.
7. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forgot User Details / Password" option available on www.evoting.nsd.com or call on Toll Free No. : 1800 222 990.
 8. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 5th August, 2021. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting.
 9. The Scrutinizer, after scrutinising the e-votes cast during the meeting and remote e-voting, will, not later than two days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman of the Company.
 10. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.wirefabrik.com and on the website of NSDL <https://evoting.nsd.com>. The results shall simultaneously be communicated to the Stock Exchanges where the shares of the Company are listed. Subject to receipt of requisite number of votes in favour, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. 12th August, 2021.

**By Order of the Board
For, Wires and Fabriks (S.A.) Ltd.**

**Place: Jaipur
Date: 31st May, 2021**

**Jaspreet Singh Dhir
Company Secretary**

ANNEXURE TO NOTICE

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013, Details Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings

ITEM NO. 4

The present term of office of Mr. Kishan Kumar Khaitan as the Chairman cum Managing Director of the Company will expire on 31st March, 2022. The Board of Directors, upon the recommendations of the Nomination and Remuneration Committee, at their meeting held on 31st May, 2021 has subject to the approval of the Shareholders in the ensuing Annual General Meeting, re-appointed Mr. Kishan Kumar Khaitan with change in his designation from Chairman cum Managing Director to Executive Chairman of the Company for a period of 5 (five) years with effect from 1st April, 2022, on terms and conditions as to the re-appointment and payment of remuneration for a period of 3 (three) years as mentioned below and more particularly mentioned in the draft agreement to be entered into between the Company and Mr. Kishan Kumar Khaitan. The Nomination and Remuneration Committee of the Company at their Meeting held on 31st May, 2021 approved the terms and conditions of payment of remuneration to Mr. Kishan Kumar Khaitan after taking into account the financial position of the Company, trend, his experience, past performance, previous remuneration and also keeping in view the interest of the Company and the shareholders, recommended the remuneration and other perquisites which were subsequently accepted by the Board of Directors subject to the approval of the shareholders by way of Special Resolution as under:

Salary for the FY 2022-23: Rs. 3,60,00,000 per annum, Salary for the FY 2023-24: Rs. 4,10,00,000 per annum and Salary for the FY 2024-25: Rs. 4,70,00,000 per annum.

Mr. Kishan Kumar Khaitan will also be entitled to certain perquisites/allowances etc. as contained in the draft agreement.

Further, Mr. Kishan Kumar Khaitan will also be entitled to certain retirement benefits after retirement/cessation from service as per rules of the Company.

Information pursuant to Section II of Part II of Schedule V of the Companies Act, 2013 relating to remuneration payable to Mr. Kishan Kumar Khaitan:

I. GENERAL INFORMATION:

- (1) *Nature of Industry:*
Manufacturing of products for paper industry (Technical Textile & Chemicals) and wind power generation.
- (2) *Date or expected date of commencement of commercial production:*
Already in commercial production.
- (3) *In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:*
Not Applicable
- (4) *Financial performance based on given indicators:*
The financial performance of the Company in brief is as under:

	<u>2020-2021</u>	<u>2019-2020</u>	<u>2018-2019</u>
Turnover	8923.85	9836.89	10566.17
PBIDT	1086.68	1239.57	1357.00
PAT	46.79	159.15	127.12
Dividend (%)	1.00	1.00	6.00
- (5) *Foreign investments or collaborators, if any.*
There is no foreign investment or collaborations.

II. INFORMATION ABOUT THE APPOINTEE:

- (1) *Background details:*
Mr. Kishan Kumar Khaitan joined the Company in the year 1978 and was first appointed as Whole-time Director designated as Jt. Managing Director since 01.10.1984. He was elevated and re-designated as the Managing Director of the Company since 27.06.2014. He was appointed as the Chairman of the Board w.e.f. 31st October, 2015. He is a renowned industrialist. He is on the Board of several companies. Mr. Kishan Kumar Khaitan has rich experience in Paper Industry and varied experience in diversified fields.
- (2) *Past remuneration:*
The past remuneration of Mr. Kishan Kumar Khaitan was governed by Special Resolution passed by the Shareholders at the 62nd Annual General Meeting held on 1st August, 2019. The remuneration approved for the financial year ending 31st March, 2022 was Rs. 3,12,84,000.
- (3) *Recognition or awards:*
Not Applicable
- (4) *Job profile and his suitability:*
His leadership made the Company an established player of the industry and has diversified successfully into various products. He is responsible for growth plans and corporate strategy. He sets company's strategic direction while overseeing all operations and management matters. During his tenure the Company has progressed well. His continued guidance will help the Company in touching new scales of success.
- (5) *Remuneration proposed:*
The remuneration proposed to be paid to Mr. Kishan Kumar Khaitan is stated earlier in this explanatory statement.
- (6) *Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:*
Taking into account these considerations and the responsibilities shouldered by him, the aforesaid remuneration is commensurate with the remuneration package paid to similar appointees in other companies.
- (7) *Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.*
Besides the remuneration proposed, Mr. Kishan Kumar Khaitan has no other pecuniary relationship with the Company. As far as relationship with the managerial personnel is concerned, Mr. Kishan Kumar Khaitan is related to Mr. Devesh Khaitan.

III. OTHER INFORMATION:

(1) *Reasons of loss or inadequate profits:*

The Company is a profit making and dividend paying company. Only for the purpose of payment of Managerial Remuneration, the Company had inadequate profits, which was due to the nature of business environment it works in.

(2) *Steps taken or proposed to be taken for improvement:*

Continued efforts on technology up-gradation, R & D activities as well as completion of modernization and expansion projects will result into overall improvement in the coming years.

(3) *Expected increase in productivity and profits in measurable terms:*

After the completion of modernization and expansion projects and the improvement in economic scenario, company expects improved performance in the coming years. However profit will increase only on absorption of higher interest and depreciation in coming period.

IV. DISCLOSURES:

The remuneration package along with the corresponding details payable to Mr. Kishan Kumar Khaitan has already been mentioned earlier. The Report on Corporate Governance in the Annual Report indicates the remuneration paid to the managerial personnel as well as to all other Directors. There is no severance fee or stock option available to him. The respective tenure of Mr. Kishan Kumar Khaitan is governed by the agreement.

This resolution is being proposed as a Special Resolution in view of the relevant provisions of Schedule V to the Companies Act, 2013 and Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requiring a special resolution for payment of remuneration as minimum remuneration, which is exceeding the limits specified under the said provisions.

Your directors consider Mr. Kishan Kumar Khaitan's experience and expertise of great value to the Company and commend the special resolution for approval. He does not hold directorship in any other listed entities and the membership of Committees of the Board is given in the Corporate Governance Report.

Members are requested to treat the same as abstract of the terms of remuneration under Section 190 of the Companies Act, 2013. Except Mr. Kishan Kumar Khaitan and Mr. Devesh Khaitan, no other Director, Managers, Key Managerial Personnel and their respective relatives are interested, either financially or otherwise, in passing of the above Resolution.

ITEM NO. 5

The present term of office of Mr. Mahendra Khaitan as Managing Director of the Company will expire on 31st March, 2022. The Board of Directors, upon the recommendations of the Nomination and Remuneration Committee, at their meeting held on 31st May, 2021 has subject to the approval of the Shareholders in the ensuing Annual General Meeting re-appointed Mr. Mahendra Khaitan as Managing Director of the Company for a further period of 5 (five) years with effect from 1st April, 2022, on terms and conditions as to the re-appointment and payment of remuneration for a period of 3 (three) years as mentioned below and more particularly mentioned in the draft agreement to be entered into between the Company and Mr. Mahendra Khaitan. The Nomination and Remuneration Committee of the Company at their Meeting held on 31st May, 2021 approved the terms and conditions of payment of remuneration to Mr. Mahendra Khaitan after taking into account the financial position of the Company, trend, his experience, past performance, previous remuneration and also keeping in view the interest of the Company and the shareholders, recommended remuneration and other perquisites which was subsequently accepted by the Board of Directors subject to the approval of the shareholders by way of Special Resolution as under:

Salary for the FY 2022-23: Rs. 3,60,00,000 per annum, Salary for the FY 2023-24: Rs. 4,10,00,000 per annum and Salary for the FY 2024-25: Rs. 4,70,00,000 per annum.

Mr. Mahendra Khaitan will also be entitled to certain perquisites/ allowances etc. as contained in the draft agreement.

Further, Mr. Mahendra Khaitan will also be entitled to certain retirement benefits after retirement/cessation of service as per rules of the Company.

Information pursuant to Section II of Part II of Schedule V of the Companies Act, 2013 relating to remuneration payable to Mr. Mahendra Khaitan:

I. GENERAL INFORMATION:

(1) *Nature of Industry:*

Manufacturing of products for paper industry (Technical Textile & Chemicals) and wind power generation.

(2) *Date or expected date of commencement of commercial production:*

Already in commercial production.

(3) *In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:*

Not Applicable

(4) *Financial performance based on given indicators:*

The financial performance of the Company in brief is as under:

	<u>2020-2021</u>	<u>2019-2020</u>	<u>2018-2019</u>
Turnover	8923.85	9836.89	10566.17
PBIDT	1086.68	1239.57	1357.00
PAT	46.79	159.15	127.12
Dividend (%)	1.00	1.00	6.00

- (5) *Foreign investments or collaborators, if any.*
There is no foreign investment or collaborations.

II. INFORMATION ABOUT THE APPOINTEE:

- (1) *Background details:*
Mr. Mahendra Khaitan joined the Company in the year 1989 and was first appointed as whole-time director designated as Executive Director in the year 1989. He was elevated and re-designated as the Jt. Managing Director of the Company on 27.06.2014. He was appointed as the Managing director of the Company w.e.f. 25.05.2016. He is a renowned industrialist. He is on the Board of several companies. Mr. Mahendra Khaitan has rich experience in Paper Industry and varied experience in diversified fields.
- (2) *Past remuneration:*
The past remuneration of Mr. Mahendra Khaitan was governed by Special Resolution passed by the Shareholders at the 62nd Annual General Meeting held on 1st August, 2019. The remuneration approved for the financial year ending 31st March, 2022 was Rs. 3,12,07,000.
- (3) *Recognition or awards:*
Not Applicable
- (4) *Job profile and his suitability:*
He is responsible for policy decisions and day to day activities of the Company. He sets company's policy direction while overseeing all operations and management matters. During his tenure, the Company has progressed well. His continued guidance will help the Company in touching new scales of success.
- (5) *Remuneration proposed:*
The remuneration proposed to be paid to Mr. Mahendra Khaitan is stated earlier in this explanatory Statement
- (6) *Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:*
Taking into account these considerations and the responsibilities shouldered by him, the aforesaid remuneration is commensurate with the remuneration package paid to similar appointees in other companies.
- (7) *Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.*
Besides the remuneration proposed, Mr. Mahendra Khaitan has no other pecuniary relationship with the Company except that Mr. Mahendra Khaitan is related to Ms. Pranika Khaitan Rawat who is a Non-Executive, Non- Independent Director of the Company.

III. OTHER INFORMATION:

- (1) *Reasons of loss or inadequate profits:*
The Company is a profit making and dividend paying company. Only for the purpose of payment of Managerial Remuneration, the Company had inadequate profits, which was due to the nature of business environment it works in.
- (2) *Steps taken or proposed to be taken for improvement:*
Continued efforts on technology up-gradation, R & D activities as well as completion of modernization and expansion projects will result into overall improvement in the coming years.
- (3) *Expected increase in productivity and profits in measurable terms:*
After the completion of modernization and expansion projects and the improvement in economic scenario, company expects improved performance in the coming years. However profit will increase only on absorption of higher interest and depreciation in coming period.

IV. DISCLOSURES:

The remuneration package along with the corresponding details payable to Mr. Mahendra Khaitan has already been mentioned earlier. The Report on Corporate Governance in the Annual Report indicates the remuneration paid to the managerial personnel as well as to all other Directors. There is no severance fee or stock option available to him. The respective tenure of Mr. Mahendra Khaitan is governed by the agreement.

This resolution is being proposed as a Special Resolution in view of the relevant provisions of Schedule V to the Companies Act, 2013 and Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requiring a special resolution for payment of remuneration as minimum remuneration, which is exceeding the limits specified under the said provisions.

Your directors consider Mr. Mahendra Khaitan's experience and expertise of great value to the Company and commend the special resolution for approval. He does not hold directorship in any other listed entities and the membership of Committees of the Board is given in the Corporate Governance Report.

Members are requested to treat the same as abstract of the terms of remuneration under Section 190 of the Companies Act, 2013. Except Mr. Mahendra Khaitan and Ms. Pranika Khaitan Rawat, no other Director, Managers, Key Managerial Personnel and their respective relatives are interested, either financially or otherwise, in passing of the above Resolution.

ITEM NO. 6

The present term of office of Mr. Devesh Khaitan as an Executive Director of the Company will expire on 31st March, 2022. The Board of Directors, upon the recommendations of the Nomination and Remuneration Committee, at their meeting held on 31st May, 2021 has subject to the approval of the Shareholders in the ensuing Annual General Meeting re-appointed Mr. Devesh Khaitan with change in his designation from Executive Director to Joint Managing Director of the Company for a period of 5 (five) years with effect from 1st April, 2022, on terms and conditions as to the re-appointment and payment of remuneration for a period of 3 (three) years as mentioned below and more particularly mentioned in the draft agreement to be entered into between the Company and Mr. Devesh Khaitan. The Nomination and Remuneration Committee of the Company at their Meeting held on 31st May, 2021 approved the terms and conditions of payment of remuneration to Mr. Devesh Khaitan after taking into

account the financial position of the Company, trend, his experience, past performance, previous remuneration and also keeping in view the interest of the Company and the shareholders, recommended remuneration and other perquisites which was subsequently accepted by the Board of Directors subject to the approval of the shareholders by way of Special Resolution as under:

Salary for the FY 2022-23: Rs. 3,40,00,000 per annum, Salary for the FY 2023-24: Rs. 3,90,00,000 per annum and Salary for the FY 2024-25: Rs. 4,50,00,000 per annum.

Mr. Devesh Khaitan will also be entitled to certain perquisites/ allowances etc. as contained in the draft agreement.

Further, Mr. Devesh Khaitan will also be entitled to certain retirement benefits after retirement/cessation of service as per rules of the Company.

Information pursuant to Section II of Part II of Schedule V of the Companies Act, 2013 relating to remuneration payable to Mr. Devesh Khaitan:

I. GENERAL INFORMATION:

- (1) *Nature of Industry:*
Manufacturing of products for paper industry (Technical Textile & Chemicals) and wind power generation.
- (2) *Date or expected date of commencement of commercial production:*
Already in commercial production.
- (3) *In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:*
Not Applicable
- (4) *Financial performance based on given indicators:*
The financial performance of the Company in brief is as under: (Rs. In lacs)

	<u>2020-2021</u>	<u>2019-2020</u>	<u>2018-2019</u>
Turnover	8923.85	9836.89	10566.17
PBIDT	1086.68	1239.57	1357.00
PAT	46.79	159.15	127.12
Dividend (%)	1.00	1.00	6.00
- (5) *Foreign investments or collaborators, if any.*
There is no foreign investment or collaborations.

II. INFORMATION ABOUT THE APPOINTEE:

- (1) *Background details:*
Mr. Devesh Khaitan joined the Company in the year 2009 and was first appointed as Business Executive then promoted as Deputy Chief Operating Officer in the year 2009 itself. He was continuing at that position since 17.03.2009. He was appointed and designated as the Executive Director of the Company since 27.06.2014. He is a renowned industrialist. He is on the Board of several companies. Mr. Devesh Khaitan has rich experience in Paper Industry and varied experience in diversified fields.
- (2) *Past remuneration:*
The past remuneration of Mr. Devesh Khaitan was governed by Special Resolution passed by the Shareholders at the 62nd Annual General Meeting held on 1st August, 2019. The remuneration approved for the financial year ending 31st March, 2022 was Rs. 2,93,83,000.
- (3) *Recognition or awards:*
Not Applicable
- (4) *Job profile and his suitability:*
Mr. Devesh Khaitan is responsible for policy implementation and management of various functions. He sets company's management directions while overseeing all operations and management matters. During his tenure, the Company has progressed well. His continued guidance will help the Company in touching new scales of success.
- (5) *Remuneration proposed:*
The remuneration proposed to be paid to Mr. Devesh Khaitan is stated earlier in this explanatory Statement
- (6) *Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:*
Taking into account these considerations and the responsibilities shouldered by him, the aforesaid remuneration is commensurate with the remuneration package paid to similar appointees in other companies.
- (7) *Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.*
Besides the remuneration proposed, Mr. Devesh Khaitan has no other pecuniary relationship with the Company. As far as relationship with the managerial personnel is concerned, Mr. Devesh Khaitan is related to Mr. Kishan Kumar Khaitan.

III. OTHER INFORMATION:

- (1) *Reasons of loss or inadequate profits:*
The Company is a profit making and dividend paying company. Only for the purpose of payment of Managerial Remuneration, the Company had inadequate profits, which was due to the nature of business environment it works in.

(2) *Steps taken or proposed to be taken for improvement:*

Continued efforts on technology up-gradation, R & D activities as well as completion of modernization and expansion projects will result into overall improvement in the coming years.

(3) *Expected increase in productivity and profits in measurable terms:*

After the completion of modernization and expansion projects and the improvement in economic scenario, company expects improved performance in the coming years. However profit will increase only on absorption of higher interest and depreciation in coming period.

IV. DISCLOSURES:

The remuneration package along with the corresponding details payable to Mr. Devesh Khaitan has already been mentioned earlier. The Report on Corporate Governance in the Annual Report indicates the remuneration paid to the managerial personnel as well as to all other Directors. There is no severance fee or stock option available to him. The respective tenure of Mr. Devesh Khaitan is governed by the agreement.

This resolution is being proposed as a Special Resolution in view of the relevant provisions of Schedule V to the Companies Act, 2013 and Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requiring a special resolution for payment of remuneration as minimum remuneration, which is exceeding the limits specified under the said provisions.

Your directors consider Mr. Devesh Khaitan's experience and expertise of great value to the Company and commend the special resolution for approval. He does not hold directorship in any other listed entities and the membership of Committees of the Board is given in the Corporate Governance Report.

Members are requested to treat the same as abstract of the terms of remuneration under Section 190 of the Companies Act, 2013. Except Mr. Devesh Khaitan and Mr. Kishan Kumar Khaitan, no other Director, Managers, Key Managerial Personnel and their respective relatives are interested, either financially or otherwise, in passing of the above Resolution.

**By Order of the Board
For, Wires and Fabriks (S.A.) Ltd.**

**Place: Jaipur
Date: 31st May, 2021**

**Jaspreet Singh Dhir
Company Secretary**



wires & fabriks

Wires and Fabriks (S.A.) Limited

ANNUAL REPORT
2020 - 2021



wires & fabriks

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Directors

Rishi Bajoria
Saroj Khemka
Satish Ajmera
Sudhir Bhandari (Dr.)
Pranika Khaitan Rawat
Devesh Khaitan, *Executive Director*
Mahendra Khaitan, *Managing Director*
Kishan Kumar Khaitan, *Chairman cum Managing Director*

Secretary

Jaspreet Singh Dhir

Auditors

Jain Shrimal & Co.

Registered Office

7, Chittaranjan Avenue, Kolkata - 700072
www.wirefabrik.com ♦ cs@wirefabrik.com ♦ +91 33 40124012



In 1963, at Jaipur, with German Machinery & Technology, the Company started manufacturing Technical Textile - Paper Machine Clothing, namely, Phosphor Bronze Wire Cloth for the Paper Industry. Stainless Steel Wire Cloth was introduced in 1974. In 1981, the Company entered into manufacturing of Single Layer Synthetic Forming Fabrics, with German collaboration. Double Layer Synthetic Forming Fabrics were introduced for the first time in India in 1986 and again Triple Layer Synthetic Forming Fabrics were introduced for the first time in India in 1996. Yet again SSB range of fabrics was introduced for the first time in India in 2006. The Company's product range includes Dryer Screens, Pulp Fabrics & Technical Fabrics.

Today, Wires & Fabriks is the market leader in India & the sub-continent for Technical Textile - Synthetic Forming Fabrics and among the few manufacturers in world for SSB Fabrics, which represents the latest in Synthetic Forming Fabrics Technology.

The Company is accredited with ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018. The Company is the first manufacturer of technical / industrial fabrics in the Country to have its In-house R&D recognized by the Govt. of India. The Company constantly updates itself with modern machines and latest technology. It also exports its products to many countries.

The Company's mission is to consistently delight its customers through its value-added products & services and to create a strong technological base through an environment of team-work which will enable it to become a world-class manufacturer in its existing product line and to use its strength to diversify into other profitable ventures.



wires & fabriks

DIRECTORS' REPORT

For the Year 2020-21

Dear Members,

The Directors of the Company have pleasure in presenting the 64th Annual Report and Audited Financial Statements of the Company for the year ended 31st March, 2021.

FINANCIAL RESULTS

The financial results, in brief, for the year ended 31st March, 2021 are as under:

	(Rs. In Lacs)	
	<u>31.03.2021</u>	<u>31.03.2020</u>
Total Income	9062.61	9863.86
Profit After Tax	46.79	159.15
Retained Earnings	3284.97	3241.24

DIVIDEND

In view of the unprecedented times and the need to conserve cash at this time, your Directors have recommended to the Members a dividend of Rs. 0.10 per share (previous year Rs. 0.10 per share) amounting to Rs. 3.06 Lacs for the financial year ended 31st March, 2021.

OPERATIONS & FUTURE OUTLOOK

During the year under review, Lockdown, government/covid restrictions/situations affected the performance of the Company and the Company closed the Financial Year with decreased turnover & profits. The current situation is unprecedented. Government/covid restrictions/situation continue. This may have some bearing on our performance in the near future. The Company is making its best efforts to ensure that its employees, their families and the public at large stay safe and all health & government guidelines are followed. Efforts are being made to ensure best results during these adverse times. The plan for expansion cum modernization is underway which is expected to be completed in FY 2022-23.

Your Company continues to maintain its leadership in Technical Textiles due to continued thrust on new product development and technology up-gradation. A number of steps taken to reduce costs and increase

market penetration will lead to improved performance in the coming years. The current economic scenario may however affect the results of the Company in the short term. With economic improvement, the Indian Paper Industry is expected to grow at a higher rate than the GDP growth, especially in the packaging segment. The expected completion of expansion cum modernization project together with our strong thrust on exports, will enable your Company to become more competitive and enter new markets.

DIRECTORS

The term of office of Mr. Kishan Kumar Khaitan as Chairman cum Managing Director of the Company is due to expire on 31st March, 2022 and the Board has re-appointed him with change in his designation from Chairman cum Managing Director to Executive Chairman of the Company with effect from 1st April, 2022 subject to the approval of shareholders at the ensuing Annual General Meeting.

The term of office of Mr. Mahendra Khaitan, Managing Director is due to expire on 31st March, 2022 and the Board has re-appointed him as Managing Director for a further period of five years with effect from 1st April, 2022 subject to the approval of shareholders at the ensuing Annual General Meeting.

The term of office of Mr. Devesh Khaitan as Executive Director of the Company is due to expire on 31st March, 2022 and the Board has re-appointed him with change in his designation from Executive Director to Joint Managing Director of the Company with effect from 1st April, 2022 subject to the approval of shareholders at the ensuing Annual General Meeting.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Pranika Khaitan Rawat, Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offer herself for re-appointment. The Board recommends her re-appointment. Profile of Mrs. Pranika Khaitan Rawat, is given in the Notice of the Annual General Meeting.

Mr. Satish Ajmera, Mr. Saroj Khemka, Mr. Rishi Bajoria and Dr. Sudhir Bhandari, Independent Directors of the Company, sought their re-appointments/appointments at the 63rd Annual General Meeting of the Company held on 21st July, 2020 and the necessary approvals of the Shareholders were granted.



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AUDITORS

M/s. Jain Shrimal & Co., Chartered Accountants, (Firm Registration No. 001704C), Statutory Auditors of the Company were appointed for a term of five years, from the conclusion of the 63rd Annual General Meeting till the conclusion of the 68th Annual General Meeting of the Company. There are no qualifications, reservations, adverse remarks or disclaimer in the Statutory Audit Report and neither any fraud has been reported by auditors under section 143(12) of the Companies Act, 2013.

The Secretarial Audit was carried out by Mr. Mayank Daga, Practicing Company Secretary (Certificate of Practice No. 16509) for the financial year ended 31st March, 2021. In terms of the provisions of the Companies Act, 2013 on recommendation of the Audit Committee, the Board at its meeting held on 13th June, 2020 had appointed Mr. Mayank Daga, Practicing Company Secretary as the Secretarial Auditor for the financial year ending 31st March, 2021. The Secretarial Auditors' Report for the financial year ending 31st March, 2021 is annexed herewith. There

are no qualifications, reservations, adverse remarks or disclaimer in the Secretarial Audit Report.

INFORMATIONS

Information's / statements as per the applicable provisions of the Companies Act, 2013 & rules made thereunder, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Secretarial Standard 1 & 2, and other applicable statutory provisions are annexed.

ACKNOWLEDGEMENT

The Directors wish to place on record their gratitude to the Customers, Investors, Bankers, Suppliers, Government agencies and all other business associates for their valuable assistance, continued support and confidence in the Company. The Directors also place on record their deep appreciation to all employees of the Company for their continued & unstinted efforts during the year.

For and on behalf of the Board

Place: **Jaipur**
Date: **31st May, 2021**

K.K. Khaitan
Chairman cum Managing Director
DIN: 00514864

M. Khaitan
Managing Director
DIN: 00459612



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ANNEXURE TO THE DIRECTORS' REPORT

INFORMATION'S

- The details forming part of the extract of the Annual Return in prescribed form MGT 9 may be referred to, at the Company's website at <http://www.wirefabrik.com/shareholder/Annual Return.pdf>.

- The details of the Board Meetings held during the Financial Year 2020-21 have been furnished in the Report on Corporate Governance.

• Directors' Responsibility Statement

Directors Responsibility Statement pursuant to Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, is furnished below. It is hereby confirmed that:

- o in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
 - o the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
 - o the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
 - o the directors had prepared the annual accounts on a going concern basis;
 - o the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
 - o the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- The Company has obtained the declaration from all the Independent Directors stating their Independence pursuant to Section 149(6) of the Companies Act, 2013.
 - Mr. Abhishek Upadhyaya, resigned from the office of the Company Secretary and Compliance Officer of the Company with effect from 23.10.2020 and Mr. Jaspreet Singh Dhir, was appointed as the Company

Secretary & Compliance Officer of the Company with effect from 12.02.2021.

- A Nomination and Remuneration Policy has been formulated, pursuant to the provisions of Section 178 and other applicable provisions of the Companies Act, 2013 and Rules thereto stating therein the Company's policy on Directors', Senior Management Personnel and other employees' appointment and their remuneration, by the Nomination and Remuneration Committee which was reviewed and approved by the Board of Directors at its meeting held on 13th June, 2020.

The said policy may be referred to, at the Company's website at <http://www.wirefabrik.com/shareholder/NRP.pdf>

The brief of the Remuneration Policy as approved by the Board is given below:

- a. The Managing Director / Whole-time Directors, etc. shall receive remuneration as per the required approvals governed as per provisions of the Companies Act, 2013. The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate taking into consideration the required factors.
 - b. The Non-Executive Directors shall receive remuneration by way of Sitting Fees, as may be decided by the Board from time to time, as governed as per provisions of the Companies Act, 2013. The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate taking into consideration the required factors. Any fees paid to Independent Directors for professional services shall not be considered as part of remuneration, subject to provisions of the Companies Act, 2013.
 - c. All Directors will be reimbursed expenses, including travelling expenses, incurred in performing their duties and / or attending Board/Committee Meetings.
 - d. Senior Managerial Personnel and Other employees shall receive remuneration as per Company's policy, subject to compliance with the provisions of the Companies Act, 2013.
- The Company has not given any loan, guarantees or made any investments during the year under review.
 - A Related Party Transaction Policy has been reviewed and approved by the Board of Directors in its meeting held on 13th June, 2020 for determining the materiality of transactions with related parties and



dealings with them. The said policy may be referred to, at the Company's website at <http://www.wirefabrik.com/shareholder/RPTP.pdf>

Prior/ Ominous approvals for the transactions between the related parties and the Company are obtained from the Audit Committee. The Audit Committee reviews all related party transactions quarterly. Further the members may note that there are no material related party transactions which require reporting under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- As required under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, the information relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo is annexed herewith.
- The Company has identified various risks. As required under Regulation 17(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has adopted a risk management policy whereby a proper framework is set up. Appropriate structures are present so that risks are inherently monitored and controlled. The Board monitors the various functions and regions to establish any risk existing in the operational functions of the Company.
- The Board of Directors of the Company has reviewed, approved and adopted a CSR Policy at its Board Meeting held on 13th June, 2020 which inter-alia states the constitution of the CSR Committee and CSR activities to be taken up by the Company. The said policy may be referred to, at the Company's website at <http://www.wirefabrik.com/shareholder/CSRP.pdf>.

For the financial year 2020-21, the CSR Committee had been re-constituted by the Board of Directors of the Company at its meeting held on 13th February, 2020 and 13th June, 2020 and the constitution of the Committee is as follows:

Sr. Name	Category	Designation
1. Mr. Mahendra Khaitan	Managing Director	Chairman
2. Mr. Devesh Khaitan	Executive Director	Member
3. Mr. Satish Ajmera	Independent Director	Member

At Wires & Fabriks (S.A.) Ltd., Corporate Social Responsibility (CSR) has been an integral part of the way we have been doing our business since inception. During the financial year 2020-21 the Company did not fall under the purview of the

provisions of Section 135 of the Companies Act, 2013, read with rules made thereunder and was not required to mandatorily make any contribution towards the CSR activities.

- Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of the performance of the Board and its Committees and the Nomination & Remuneration Committee evaluated performance of individual directors based on established criteria for such evaluation.

A meeting of the Independent Directors as required to be held to evaluate the performance of the Non-Independent Directors was held on 13th June 2020 wherein the performance of the Non-Independent Directors, was evaluated.

To determine the criteria of evaluation of the performance of the Independent Directors as required under the Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee at its meeting held on 13th June, 2020 reviewed and established the criteria and recommended the same to the Board, for their evaluation purpose. Based on this, the Board at its meeting held on 13th June, 2020 critically adjudged the performance of the Independent Directors, in absence of the particular Director being evaluated. In the opinion of the Board, the Independent Directors including Independent Directors appointed during the year, are persons of integrity and possess requisite and proper expertise, proficiency and experience.

- The Company does not have any Subsidiary/ Associate/Joint Venture Company as on 31st March, 2021.
- The Company has not accepted any kind of Deposits from the Public during the F-Y 2020-21. As on 31st March 2021, the Company does not have any unclaimed deposit.
- There are no significant material orders passed by the Regulators/ Courts which would impact the going concern status of the Company and its future operations.
- Your Company has an adequate system of internal financial control procedures which is commensurate with the size and nature of business. The internal control systems of the Company are monitored and evaluated by Internal Auditors and their Audit Reports are periodically reviewed by the Audit Committee of the Board of Directors.



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Based on the deliberations with Statutory Auditors to ascertain their views on the Financial Statements, including the Financial Reporting System and Compliance to Accounting Policies and Procedures, the Audit Committee was satisfied with the adequacy and effectiveness of the Internal Controls and Systems followed by the Company.

- The composition and terms of reference of the Audit Committee has been furnished in the Corporate Governance Report. There has been no instance where the Board has not accepted the recommendations of the Audit Committee.
- The details of familiarization programs to Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters may be referred to, at the Company's website at <http://www.wirefabrik.com/shareholder/FPID.pdf>.
- The Company has a Whistle Blower Policy in place for Vigil Mechanism. The Whistle Blower Policy has been reviewed and approved by the Board of Directors at its meeting held on 13th June, 2020 as per the provisions of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said policy may be referred to, at the Company's website at <http://www.wirefabrik.com/shareholder/WBPVM.pdf>
- The statement of particulars, required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms a part of this report. However, as permitted under Section 136(1) the Companies Act, 2013, the Report and Accounts are being sent to all Members and other entitled persons excluding the above statements. Those interested in obtaining a copy of the said statements, may write to the Company at its Registered Office and the same will be sent by post. The statements are also available for inspection at the Registered Office, during working hours upto the date of the Annual General Meeting.
- The paid up Equity Share Capital as on 31st March, 2021 was Rs. 3,05,62,500. During the year under review, the Company has not issued shares with

differential voting rights nor granted stock options nor sweat equity. The details of the Equity Shares held by the Directors as on 31st March, 2021 have been furnished in extract of the Annual Return, available on the website of the Company at <http://www.wirefabrik.com/shareholder/AnnualReturn.pdf>.

- The Company has transferred a total sum of Rs. 1,92,992/- during the financial year 2020-21 to the Investor Education & Protection Fund established by the Central Government, in compliance with Section 124(5) of the Companies Act, 2013.
- The Company has maintained cost records for its products for which cost records are required to be maintained as specified by the Central Government under section 148(1) of the Companies Act, 2013.
- The Company has always provided a congenial atmosphere for work to all employees that are free from discrimination and harassment including sexual harassment. It has provided equal opportunities of employment to all without regard to their caste, religion, colour and sex. The Company has constituted Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and also framed a Policy on "Prevention of Sexual Harassment" at the workplace. There were no cases reported during the year under review under the said Policy.
- In accordance with Regulation 34 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Management Discussion & Analysis Report together with the Report on Corporate Governance and the certificate, in respect of compliance with the conditions of corporate governance, is annexed herewith.
- The Company has complied with the provisions of applicable Secretarial Standard 1 & 2 issued by the Institute of Company Secretaries of India and approved under Section 118(10) of the Companies Act, 2013.
- No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which the financial statements relate and the date of this report, except the effect on operations due to government / covid restrictions / situation.

For and on behalf of the Board

Place: Jaipur
Date: 31st May, 2021

K.K. Khaitan
Chairman cum Managing Director
DIN: 00514864

M. Khaitan
Managing Director
DIN: 00459612

ANNEXURE TO THE DIRECTORS' REPORT -

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE INFLOW & OUTFLOW

Information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules 2014 and forming part of the Boards' Report for the year ended on 31st March 2021.

A. CONSERVATION OF ENERGY

1. Steps taken or impact on Conservation of Energy.

The Company continues to remain conscious of conserving energy resources and takes various measures to rationalize the consumption of energy.

2. Steps taken by the Company for utilizing Alternate Sources of Energy.

Wheeling arrangement for self consumption has been made from one of the Company's Wind Power Plant established at Jaisalmer, Rajasthan.

3. Capital Investment on Energy Conservation Equipments.

The Company continues to identify and modernise equipments & processes for Energy Conservation.

B. TECHNOLOGY ABSORPTION

1. Efforts made towards Technology absorption.
 - a. Training of personnel
 - b. Absorption/adaptation of technology to suit indigenous requirements.
 - c. Analysis and feedback to improve products/processes/equipment.
 - d. Strengthening of R & D.
 - e. Participation in conferences, seminars and exhibitions.

2. Benefits derived.
 - a. New / improved products / processes / equipments etc.
 - b. Indigenisation.
 - c. Strengthening of technological base.
3. Imported Technology (Imported during last 3 Years).

No major Technology was directly imported by the Company during last 3 years.

4. Expenditure Incurred on Research and Development.

	(Rs. In Lacs)
(a) Capital	0.14
(b) Revenue	236.65
(c) Total	236.79
(d) Total R & D Expenditure	2.65
(as a % of total turnover)	

C. FOREIGN EXCHANGE INFLOW AND OUTFLOW

1. Activities relating to Exports.
The Company regularly exports its products to several countries. Efforts to develop new markets and consolidate the existing ones are continuing.
2. Total Foreign Exchange used and earned.

	(Rs. In Lacs)
Foreign Exchange earned	2519.65
Foreign Exchange used	2393.13

For and on behalf of the Board

Place: Jaipur
Date: 31st May, 2021

K.K. Khaitan
Chairman cum Managing Director
DIN: 00514864

M. Khaitan
Managing Director
DIN: 00459612



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ANNEXURE TO THE DIRECTORS' REPORT - SECRETARIAL AUDIT REPORT

Form No.MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Wires and Fabriks (S.A.) Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Wires and Fabriks (S.A.) Limited (hereinafter called the Company). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I 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 2021 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. 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;
5. 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 (Issue of Capital and Disclosure Requirements) Regulations, 2009 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (NOT APPLICABLE TO THE COMPANY DURING THE AUDIT PERIOD)
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (NOT APPLICABLE TO THE COMPANY DURING THE AUDIT PERIOD)
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (NOT APPLICABLE TO THE COMPANY DURING THE AUDIT PERIOD)
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (NOT APPLICABLE TO THE COMPANY DURING THE AUDIT PERIOD)
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (NOT APPLICABLE TO THE COMPANY DURING THE AUDIT PERIOD)

- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, as applicable. (NOT APPLICABLE TO THE COMPANY DURING THE AUDIT PERIOD) and
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments from time to time.
 - j. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and amendments from time to time;
6. Other laws applicable to the company as per the representations made by the management.
- I have also examined compliance with the applicable clauses of the following:
- i. Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India.
 - ii. The Listing Agreements entered into by the Company with Stock Exchanges.

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

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the period under review the following changes took place in the Board and Management of the Company:-

- i. Mr. Rishi Bajoria who was appointed as additional independent director of the company w.e.f 13.02.2020, was regularized at 63rd Annual General Meeting of the Company held on 21-07-2020.
- ii. Mr. Sudhir Bhandari was appointed as additional independent director of the company w.e.f 13.06.2020 and was subsequently regularized at 63rd Annual General Meeting of the Company held on 21-07-2020.
- iii. Mr. Satish Ajmera and Mr. Saroj Khemka, were re-appointed by the Board as Independent Directors for a further period of five years w.e.f 30th March, 2020 and 12th August, 2020 and subsequent approval of shareholders was taken at the 63rd Annual General Meeting of the Company held on 21-07-2020.
- iv. Mr. Abhishek Upadhyay, resigned from the office of Company Secretary & Compliance Officer of the Company w.e.f 23.10.2020.
- v. Mr. Jaspreet Singh Dhir, was appointed as the Company Secretary & Compliance Officer of the Company w.e.f 12.02.2021.

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

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

I 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.

Place: **Kolkata**
Date: **31-05-2021**
UDIN: A041279C000397580

Mayank Daga
Company Secretary in Practice
Membership No. ACS 41279
CP. No. 16509

Note: This Report is to be read with 'Annexure A' attached herewith and forms an integral part of this Report.



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“ANNEXURE – A”

To,
The Members
Wires and Fabriks (S.A.) Limited

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

- 1) Maintenance of secretarial record 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 were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random 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) Where ever 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, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
- 6) The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: **Kolkata**
Date: **31-05-2021**

Mayank Daga
Company Secretary in Practice
Membership No. ACS 41279
CP. No. 16509

REPORT ON CORPORATE GOVERNANCE

[Pursuant to Schedule V of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015]

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company believes in and practices good corporate governance. The Company creates an environment to enable the management for the efficient conduct of the business and to meet its obligations to all stakeholders.

2. BOARD OF DIRECTORS

During the year, 8 meetings of the Board of Directors were held i.e. on 13th June, 2020 (1.00 P.M. & 2.00 P.M.), 14th September, 2020 (4:30 P.M. & 5.00 P.M.), 10th November, 2020 (1.30 P.M. & 2.00 P.M.) and 12th February, 2021 (2.30 P.M. & 3.00 P.M.). The maximum gap between any two meetings was less than one hundred and twenty days. The Board was presented with all relevant and necessary information at its meetings including information as required under the listing regulations. Details of Directors seeking appointment/re-appointment at 64th Annual General Meeting are given in the Notice.

The composition and category of the Board of Directors of the Company and other information as required, is as follows:

Name of Director	Category of Director	No. of Board Meetings Attended	Last AGM Attended	Directorships in other Public Ltd. Companies**	Committee* Position in other Companies	
					Member	Chairman
Mr. K. K. Khaitan, CMD	PE	8	Yes	1	-	-
Mr. M. Khaitan, Managing Director	PE	8	Yes	1	-	-
Mr. Devesh Khaitan, Executive Director	PE	8	Yes	1	-	-
Ms. Pranika Khaitan Rawat	NENI	6	Yes	-	-	-
Mr. Rishi Bajoria#	NEI	8	Yes	-	-	-
Mr. Saroj Khemka	NEI	8	Yes	-	-	-
Mr. Satish Ajmera	NEI	8	Yes	3	3	3
Dr. SudhirBhandari#	NEI	7	Yes	-	-	-

PE: Promoter & Executive, NEI: Non Executive & Independent, NENI: Non Executive & Non Independent, *Audit Committee, Nomination and Remuneration Committee & Stakeholders Relationship Committee are considered only. **Directorships in other public limited companies are as on the date of the report. #Mr. Rishi Bajoria who was appointed as Additional Independent Director with effect from 13.02.2020 was regularized at the 63rd Annual General Meeting of the Company held on 21.07.2020. #Dr. Sudhir Bhandari was appointed as Additional Independent Director of the Company with effect from 13.06.2020 and was regularized at the 63rd Annual General Meeting of the Company held on 21.07.2020.

Mr. Devesh Khaitan is the son of Mr. K.K. Khaitan and Ms. Pranika Khaitan Rawat is the daughter of Mr. M. Khaitan. Number of equity shares held by non-executive directors are given in Form MGT-9.

Mr. Satish Ajmera is an Independent Director in two other listed entities i.e. The Lakshmi Mills Company Limited & PCS Technology Limited; Other Directors of the Company do not hold directorship in any other listed entity.

The details of the Familiarisation Program of Independent Directors may be referred to, at the Company's official website at <http://www.wirefabrik.com/shareholder/FPID.pdf>

The Board has identified the following skills / expertise / competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Industry knowledge/experience

Experience of sector/industry
 Knowledge of sector/industry
 Knowledge of international best practices
 Knowledge of technologies in sector/industry

Technical skills/expertise

Functional experience
 Laws and corporate governance
 Risk management
 Human resource management



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Governance competencies

Senior management experience
Strategic thinking /planning
Financial literacy
Public relations
Profile / reputation

Behavioral competencies

Team player / collaborative
Integrity, seriousness and ethics
Mentoring abilities
Interpersonal relations
Communication skills

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the applicable requisite skill sets among above as identified by the Board, in context of business and sector in which the company operates. Moreover, the Directors so appointed are drawn from diverse backgrounds and possess special skills with regard to the industries/fields from where they come.

The Board is of the opinion that, the independent directors are independent of the management and fulfill the conditions as specified in the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended from time to time.

3. AUDIT COMMITTEE

During the period under review, Audit Committee headed by Mr. Satish Ajmera comprised of three other Non-Executive Independent Directors namely Mr. Rishi Bajoria, Mr. Saroj Khemka & Dr. Sudhir Bhandari (w.e.f. 01.07.2020) and an Executive Director Mr. M. Khaitan, Managing Director. The terms of reference, role and powers of the Audit Committee are in line with the regulatory requirements mandated by the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as well as the Companies Act, 2013. During the year, four meetings of the Audit Committee were held on 13th June, 2020, 14th September, 2020, 10th November, 2020 and 12th February, 2021.

Mr. Satish Ajmera, Mr. Rishi Bajoria, Mr. Saroj Khemka, Dr. Sudhir Bhandari and Mr. M. Khaitan attended 4, 4, 4, 3 and 4 meetings respectively. The Company Secretary acts as a Secretary to the Committee.

4. NOMINATION AND REMUNERATION COMMITTEE

During the period under review, Nomination and Remuneration Committee headed by Mr. Saroj Khemka comprised of two Non-Executive Independent Directors namely Mr. Satish Ajmera (till 30.06.2020), Dr. Sudhir Bhandari (w.e.f 01.07.2020) and Mr. Rishi Bajoria and a Non-Executive Non Independent Director, Ms. Pranika Khaitan Rawat. The terms of reference, role and powers of the Committee are in line with the regulatory requirements mandated by the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as well as Companies Act, 2013. During the year, the Committee met on 13th June, 2020 and 12th February, 2021. Mr. Saroj Khemka, Mr. Rishi Bajoria, Mr. Satish Ajmera, Ms. Pranika Khaitan Rawat and Dr. Sudhir Bhandari attended 2, 2, 1, 1, & 1 meeting respectively. The criteria for evaluation of performance of Independent Directors cover the areas of Participation, Knowledge & Skills and others as recommended by the Committee. The Company Secretary acts as a Secretary to the Committee.

5. REMUNERATION OF DIRECTORS

The payments of remuneration to the Managing Director(s) and Executive Director are governed by the Company's Remuneration Policy and the respective agreement between them and the Company. The current tenure of Managing Director(s) namely Mr. K. K. Khaitan and Mr. M. Khaitan and of Executive Director, Mr. Devesh Khaitan, is for a period of five years with effect from 1st April, 2017, which can be further extended by re-appointing them, subject to the approval by Members in the General Meeting. The Remuneration paid to the Managing Director(s) and Executive Director is on the basis of the approvals received from the Shareholders of the Company. The Non-Executive Directors are being paid sitting fees as approved by the Board/Committee meetings besides reimbursement of actual travelling 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. There was no pecuniary relationship or transactions between the Non-Executive Directors and the Company during the Financial Year 2020-21.

The details of remuneration to the Directors during the year are as under:

Name	Salary (Rs.)	Other Benefits(Rs.)	Sitting Fees (Rs.)	Total (Rs.)
Mr. K. K. Khaitan, CMD	1,77,60,000	21,03,513	-	1,98,63,513
Mr. M. Khaitan, Managing Director	1,77,60,000	20,97,309	-	1,98,57,309
Mr. Devesh Khaitan, Executive Director	95,90,000	11,19,101	-	1,07,09,101
Ms. Pranika Khaitan Rawat, Director	-	-	1,05,000	1,05,000
Mr. Rishi Bajoria, Director	-	-	2,25,000	2,25,000
Mr. Saroj Khemka, Director	-	-	2,25,000	2,25,000
Mr. Satish Ajmera, Director	-	-	2,10,000	2,10,000
Dr. Sudhir Bhandari, Director	-	-	-	-

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

During the period under review, Stakeholders Relationship Committee was headed by Mr. Saroj Khemka till 30.06.2020 and thereafter was headed by Mr. Satish Ajmera with effect from 01.07.2020. The committee comprised of a Non-Executive Independent Director, Mr. Rishi Bajoria till 30.06.2020 and Dr. Sudhir Bhandari with effect from 01.07.2020. The Committee also comprised of an Executive Director, Mr. Devesh Khaitan throughout the year. The terms of reference, role and powers of the Stakeholders Relationship Committee are in line with the regulatory requirements mandated by the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015. During the year, the Committee met on 13th June 2020, which was attended by Mr. Saroj Khemka, Mr. Rishi Bajoria and Mr. Devesh Khaitan. Grievances requiring specific guidance in between the meetings are communicated to the Chairman and redressed as per his advice.

The Company has received Nil complaints during the year. All complaints, if any, are resolved / replied within reasonable time. The Company Secretary acts as the Secretary to the Committee and the Compliance Officer.

7. GENERAL BODY MEETINGS

The last three Annual General Meetings were held on:

- 21st July, 2020 at 3.00 P.M. through Video Conferencing/ Other Audio Visual Means
- 1st August, 2019 at 12.00 Noon at Seminar Hall, Science City, JBS Halden Avenue, Kolkata 700 046
- 11th August, 2018 at 12.00 Noon at Seminar Hall, Science City, JBS Halden Avenue, Kolkata 700 046

All the Special Resolutions contained in the respective Notices of the previous three AGM's were passed by the Members.

8. MEANS OF COMMUNICATION

Annual Reports in respect of each financial year are mailed to all shareholders generally in July/August of each calendar year. The extract / quarterly financial results are normally published in Financial Express (English) & Sukhabar (Vernacular) and are also submitted to the concerned Stock Exchanges in required format to enable them to display at their respective websites. The quarterly/annual financial statement, shareholding pattern along with the presentation on financial results and official news releases, are posted on Company website and can be viewed on www.wirefabrik.com. Further, all other price sensitive and other information is sent to the Stock Exchange where shares of the Company are listed, enabling them to display the same on their website.

9. GENERAL SHAREHOLDER INFORMATION

- (a) Company Registration Details : The Company is registered in the State of West Bengal, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L29265WB1957PLC023379.
- (b) AGM: Date, Time & Venue/Mode : Thursday, 12th August, 2021 at 15:00 Hrs (IST) through Video Conferencing ("VC") using platform provided by NSDL.
- (c) Financial Year : 1st April to 31st March
- (d) Dates of Book closure : 6th August, 2021 to 12th August, 2021 (both days inclusive)



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(e) Listing of Stock Exchanges & Stock Code:

B.S.E. Ltd. P. J. Towers, Dalal Street, Mumbai 400001 (Stock Code: 507817)	The Calcutta Stock Exchange Ltd 7, Lyons Range, Kolkata 700001 (Stock Code: 10033008)
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The annual listing fee for the year 2021-2022 has been paid to the above Stock Exchanges.

(f) Share Price Data, as traded at BSE Limited during 2020-2021:

(in Rs.)

(Source: BSE Website)

	2020									2021		
	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
High	48.75	52.30	66.00	52.60	57.35	52.00	49.20	45.25	64.50	76.40	74.50	65.15
Low	39.30	44.65	45.30	45.00	46.10	44.35	42.90	39.85	43.50	55.10	65.75	49.05

Note: There was no trading during the year on The Calcutta Stock Exchange Limited, Kolkata.

(g) Stock Performance in comparison to BSE Sensex:

	As on 31.03.2020	As on 31.03.2021	Increase / (Decrease) %
BSE Sensex	29468.49	49509.15	68%
Company's Stock Price at BSE (Rs.)	49.00	50.45	2.96%

(Source: BSE Website)

(h) Registrar & Transfer Agent : ABS Consultant Pvt. Ltd.
99, Stephen House, 6th Floor, 4, B.B D Bag (E), Kolkata-700 001
Ph.:+91 33 2230-1043 / 2243-0153.
E-Mail: absconsultant99@gmail.com

(i) Share Transfer System : Share transfers documents complete in all respects are registered and/or share transfer under objections are returned within stipulated time period.

(j) Distribution of Shareholding as on 31st March, 2021:

No. of shares	No. of Equity Shareholders	% of Shareholders	No. of Equity Shares held	% of Shareholding
1 to 1000	3157	97.77	374423	12.25
1001 to 10000	67	2.08	184178	6.03
10001 & above	5	0.15	2497649	81.72
Total	3229	100.00	3056250	100.00

Categories of Shareholding as on 31st March, 2021:

Category	No. of Shares held	% of Shareholding
Promoters	2286356	74.81
Mutual Funds	550	0.02
Financial Intuitions / Banks	200	0.01
Public Shareholders - Individuals	532544	17.42
Public Shareholders - Bodies Corporate	160538	5.25
Others	76062	2.49

(k) Dematerialisation of shares and liquidity : The Equity Shares of the Company are eligible for demat by both the depositories namely NSDL & CDSL, under ISIN: INE469D01013. About 95.53% of shares were held in dematerialisation form by the shareholders of the Company, as on

31st March, 2021. The trading of the equity shares of the Company on the Stock Exchanges are under the list of compulsory delivery in dematerialization form by all investors. The shares of the Company are regularly traded at BSE.

- (l) Outstanding ADR's / GDR's/Warrants / or any other Convertible Instruments : Nil
- (m) Commodity Price Risk / Foreign Company Exchange Risk and Hedging : The Company does not deal in commodities. The actively monitors the foreign exchange movements associated with normal business transactions in foreign currencies and takes forward covers if appropriate to reduce the risks.
- (n) Plant Locations : Jaipur & Jaisalmer, Rajasthan
Howrah, West Bengal.
- (o) Address for Correspondence & Redressal of Investor Grievances : The Compliance Officer
Wires and Fabriks (S.A.) Limited
7, Chittaranjan Avenue, Kolkata-700 072
Phone Nr.: +91 33 40124012
E-Mail: cs@wirefabrik.com
- (p) Compliance officer : The Company Secretary acts as Compliance Officer of the Company.
- (q) Details of credit ratings obtained/ reviewed during the year 2020-2021.

*Facilities	Rating	Remarks
Long-term Bank Facilities	IVR BBB; Stable Outlook (IVR Triple B with Stable Outlook)	Assigned
Short-term Bank Facilities	IVR A3+ (IVR A Three Plus)	Assigned

10. DISCLOSURES

- (i) As a matter of policy, the Company does not enter into any transaction with any related party that may have potential conflict with the interests of the Company at large. The transactions with related party in normal course of business have been disclosed in the Notes forming part of Accounts.
- (ii) Neither were any penalties imposed, nor were any strictures passed by Stock Exchange(s) or SEBI or any Statutory Authority on any Capital Market related matters during the last three years.
- (iii) The Company has a whistle blower policy and no employee has been denied access to the Audit Committee and / or Director in respect of his / her grievances.
- (iv) The Company has complied with the mandatory requirements of the Listing Regulation. The Company has adopted various non-mandatory requirements as well, as discussed under relevant headings.
- (v) The Company does not have a Subsidiary and as such no Policy for determining 'material subsidiaries was formulated.
- (vi) The Company has framed Related Party Transaction Policy and is placed on the Company's website and may be referred to, at the Company's official website at <http://www.wirefabrik.com/shareholder/RPTP.pdf>
- (vii) During the financial year ended 31st March, 2021 the Company did not engage in commodity hedging activities.
- (viii) During the financial year 2020-21 the Company have not raised or utilized any funds through preferential allotment or qualified institutions placement.
- (ix) The company has obtained a certificate from a practicing company secretary certifying that none of the directors of the company have been debarred or disqualified from being appointed or continuing as directors



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of the companies by SEBI / MCA or any such statutory authority.

- (x) The board of directors has accepted the recommendations of its committees made during the financial year 2020-21.
- (xi) The Company has paid total fees of Rs. 2.71 lacs to the statutory auditors towards all the services rendered by them, on a consolidated basis. No other payments are made to any network firm/ network entity of which the statutory auditor may be a part.

11. There has been no instance of non-compliance of any requirement of Corporate Governance Report.

12. ADOPTION OF NON - MANDATORY REQUIREMENTS

Sr.Nr.	Particulars	Compliance Status/Remarks
1	Audit Qualification	The financial statement has no qualifications.
2	Separate posts of Chairman and CEO	The post of the Chairman of the Company and the CEO are held by different persons.
3	Reporting of Internal Auditors	The Internal Auditors have a direct access to the Chairman of the Audit Committee

13. The Company has fully complied with the applicable requirement specified in Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46.

14. CEO/CFO CERTIFICATION

As required under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Chief Executive Officer and Chief Financial Officer of the Company have certified to the Board of Directors, inter-alia, the accuracy of the financial statements and adequacy of internal control for the financial reporting purpose, for the year under review.

For and on behalf of the Board

Place: **Jaipur**
Date: **31st May, 2021**

K.K. Khaitan
Chairman cum Managing Director
DIN: 00514864

M. Khaitan
Managing Director
DIN: 00459612

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 the Code of Conduct of the Company, for the financial year ended 31st March, 2021.

Place: **Jaipur**
Date: **31st May, 2021**

M. KHAITAN
CEO

Certificate to the Members of Wires and Fabriks (S.A.) Limited on the conditions of Corporate Governance for the year ended 31st March, 2021

To the Members of
Wires and Fabriks (S.A.) Limited

I have examined the compliance of the conditions of Corporate Governance by Wires and Fabriks (S.A.) Limited for the year ended on 31st March, 2021 as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015. ("SEBI Listing Regulations")

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

In our opinion and to best of our information and according to the explanations given to us, and the representation made by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in the SEBI Listing Regulations for the year ended on 31st March, 2021.

On the basis of records maintained by the Company, I state that, as on 31st March, 2021, there were no investor grievances remaining pending for a period exceeding one month against the Company.

I, further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place: **Kolkata**
Date: **31.05.2021**
UDIN: A041279C000397393

Mayank Daga
Company Secretary in Practice
Membership No. ACS 41279
CP. No. 16509



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CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Wires and Fabriks (S.A.) Limited
7, Chittaranjan Avenue,
Kolkata- 700072

I, have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. Wires and Fabriks (S.A.) Limited having CIN L29265WB1957PLC023379 and having registered office at 7, Chittaranjan Avenue, Kolkata - 700072 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I, hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory.

SI No	Name of Director	DIN	Date of appointment in Company	Date of cessation (if any)
1	Rishi Bajoria	00501157	13/02/2020	-
2	Sudhir Bhandari	08755101	13/06/2020	-
3	Saroj Kumar Khemka	00489838	05/02/2015	-
4	Satish Ajmera	00208919	29/11/2001	-
5	Pranika Khaitan Rawat	07062242	05/02/2015	-
6	Devesh Khaitan	00820595	27/06/2014	-
7	Mahendra Khaitan	00459612	26/06/1989	-
8	Kishan Kumar Khaitan	00514864	14/08/1978	-

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate 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.

Place: **Kolkata**
Date: **31.05.2021**
UDIN: A041279C000397525

Mayank Daga
Company Secretary in Practice
Membership No. ACS 41279
CP. No. 16509

MANAGEMENT DISCUSSIONS & ANALYSIS REPORT 2020-21

INDUSTRY STRUCTURE & DEVELOPMENTS

The Company mainly deals in technical products for the Paper Industry. The Paper Industry in India is growing at a rate higher than the GDP growth. Present per capita paper consumption in India being low, it is bound to increase, resulting in increased production of paper and increased consumption of company's products. The same is true in the case of other Asian countries. Our products requiring tailor made services offer us a great opportunity both by way of geographical advantage & local expertise.

OPPORTUNITIES & THREATS

Growth in the Paper Industry is a foregone conclusion. Besides growth in the domestic sector, growth opportunity also exists in the export sector, as Asia is the fastest growing region in the world for the paper sector. Besides domestic competition, competition from overseas suppliers may increase due to various developments in the Indian Economy. However, the Company has maintained its leadership due to continuous thrust on modernization & technology up-gradation.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE

Products for the Paper industry had a brief setback in the current economic scenario. Wind mills are performing satisfactorily.

FUTURE OUTLOOK

The expected completion of the Company's Expansion cum Modernisation Project in 2022-23, will make the Company ready for the future. This will improve the performance in the forthcoming years. The current economic scenario may however affect the results in short term.

RISKS & CONCERNS

Reduction in growth rate of Indian Paper Industry and increased competition both from domestic and overseas suppliers and foreign currency rates are main areas of concern. Costly equipments and constantly upgrading technology reduces margins. However, the emphasis on Research & Development has led to an inherent technical strength, which helps the Company to maintain its leadership and bottom-line. Natural calamities, pandemics or governmental actions such as lockdown, Covid related restrictions etc., may affect the performance of the Company. However the company plans & takes proper response to overcome the loss to the extent possible.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

The Company has adequate internal control procedure commensurate with the nature of its business & size of its operations. Internal Audit is conducted at regular intervals and covers the key areas of operations.

DISCUSSIONS ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Company closed last financial year with lower turnover due to lockdown. The profitability too was affected. The Company plans to further strengthen the areas where more improvement opportunities exist.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS

The Company continues to give its high attention to its Human Resources. Various initiatives were successfully implemented during the year. Industrial relations continue to be cordial.

FINANCIAL RATIOS

The details on key financial ratios are produced below which enables to measure Company's operational efficiency, liquidity, stability and profitability, giving management, investors and other stakeholders more relevant information than raw financial data and to take better strategic, operational & financial decisions by using the widely popular, and



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arguably indispensable, technique of ratio analysis.

	FY 2020-21	FY 2019-20
i. Debtors Turnover	2.99	3.15
ii. Inventory Turnover	4.10	3.96
iii. Interest Coverage Ratio	1.26	2.73
iv. Current Ratio	1.75	1.45
v. Debt Equity Ratio	0.71	0.92
vi. Operating Profit Margin (%)	2.08	2.87
vii. Net Profit Margin (%)	0.42	1.82
viii. Return on Net Worth (%)	0.84	4.00

Decrease in revenue from operations considering Covid-19 situations severely impacted Return on Net Worth, Operating and Net Profit Margin, in spite of reduction in Fixed Cost/ Expenses. The Debtors and Inventory Turnover are also affected. However, timely repayment of Term Loans as per schedule coupled with better utilization of borrowed working capital funds resulted in improved Debt Equity Ratio.

CAUTIONARY STATEMENT

Some of the statements made above are stated as required by applicable regulations. While they are based on the data available and the bonafide judgment of the management, the actual results may be affected by various factors, which may be different from what your management envisages in terms of future performance & outlook.

For and on behalf of the Board

Place: **Jaipur**
Date: **31st May, 2021**

K.K. Khaitan
Chairman cum Managing Director
DIN: 00514864

M. Khaitan
Managing Director
DIN: 00459612

**INDEPENDENT AUDITOR'S REPORT
To the Members of WIRES AND FABRIKS (S.A.) LIMITED**

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the financial statements of Wires and Fabriks (S.A.) Limited ("the Company"), which comprises the Balance sheet as at 31st March 2021, and the Statement of Profit and Loss (Including Other Comprehensive Income), Cash Flow Statement and the Statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information for the year ended on that date (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profits (including other comprehensive income) and its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr.No.	Key Audit Matter	Auditor's Response
1	<p>Accuracy of recognition, measurement, presentation and disclosures of receivable and expected credit loss.</p> <p>A receivable shall be classified as 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Hence, amounts due under contractual rights, other than arising out of sale of goods or rendering of services, cannot be included within Trade Receivables.</p> <p>As per Ind AS 109, the company is required to recognize a loss allowance (i.e. impairment) for</p>	<p>Our procedures included:-</p> <p>Accounting policies: Trade receivable which are likely to be realized within twelve months from the date of Balance Sheet or within the operating cycle than it shall be classifying as current assets.</p> <p>Control testing: Testing the effectiveness of the company controls over the calculation of trade receivable as 'doubtful'.</p> <p>Tests of details:</p> <ul style="list-style-type: none"> - Obtaining supporting documentation for sales transactions recorded either side of year end as well as credit notes issued after the year end date to determine whether trade receivable corresponding to revenue was recognised in the correct period. - Documentation for a sample invoice of goods or services sold and supporting documentation. - Credit loss is the difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. cash shortfalls), including cash flows from the sale of collateral held.' <p>Credit Risk: Credit risk is the risk that counterparty will not meet its</p>



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Sr.No.	Key Audit Matter	Auditor's Response
	<p>expected credit losses on financial assets including trade receivables.</p>	<p>obligation under customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities primarily to trade receivable.</p> <p>Assessing disclosures: Considering the adequacy of the Group's disclosures in respect of Trade receivable.</p> <p>Our results :</p> <ul style="list-style-type: none"> - The results of our testing were satisfactory, and we considered that the trade receivable were recorded on amount due on goods and services rendered in the normal course of business and company has a credit review and monitoring system which includes credit approvals credit limits and monitoring.
2	<p>Assessment of Provisions and Contingent liabilities. Assessment of Provisions and Contingent liabilities in respect of certain provisions including claim filed by other parties not acknowledged as debt. (refer note no. 22 and 32 to the financial statements). Significant management judgement is required to assess such matters to determine the probability of occurrence of material outflow of economic resources and whether a provision should be recognized, or a disclosure should be made. The management judgement is also supported with legal advice in certain cases as considered appropriate. As the ultimate outcome of the matters are uncertain and the positions taken by the management are based on the application of their best judgement, So it is considered to be a Key Audit Matter.</p>	<p>Our procedures included:- We understood, assessed and tested the design and operating effectiveness of key controls, surrounding assessment of provisions created relating to the claims for compensations filed to the company for performance of the products supplied by the Company. We discussed with management the recent developments and the status of the material claims which were reviewed and noted by the technical team of the company.</p> <p>Tests of details: We performed our assessment on a test basis on the underlying calculations supporting the, provisions created relating to the claims and compensations made in the Standalone Financial Statements. We evaluated management's assessments by understanding precedents set in similar cases and assessed the reliability of the management's past estimates/judgements. We evaluated management's assessment around those matters that are not disclosed or not considered as contingent liability, as the probability of material outflow is considered to be remote by the management; and</p> <p>Assessing disclosures: We assessed the adequacy of the Company's disclosures.</p> <p>Our results : Based on the above work performed, management's assessment in respect of provisions and related disclosures relating to contingent liabilities in the Standalone Financial Statements are considered to be reasonable.</p>

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of the Management for the Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that gives a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



wires & fabriks

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statements of Cash Flows dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the Balance sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of changes in Equity and the Statement of Cash flows comply with the Indian Accounting Standards (IndAS) specified under section 133 of the Act;
 - e. On the basis of the written representations received from the directors as on 31st March , 2021 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of section 164 (2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company has disclosed the impact of pending litigations which would impact financial position. (Refer Note 32 to IndAS Financial statement)
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Jain Shrimal & Co.
Chartered Accountants
FRN: 001704C

Place: Jaipur
Dated: 31st May 2021

(Narendra Shrimal)
Partner
Membership No. 070902

Annexure -A to the Independent Auditors' Report

The Annexure referred to in our Independent Auditor's Report to the members of **Wires and Fabriks (S.A.) Limited** (the Company') on the Ind AS financial statements for the year ended on 31st March 2021. We report that:

- i. In respect of the Company's fixed Assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a regular programme of Physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) According to information and explanation given to us and the records examined by us including registered title deeds, we report that, the title deeds, comprising all the immovable properties of land and building are held in the name of company as at balance sheet date.
- ii. The inventories have been physically verified during the year by the management at regular intervals. In our opinion and according to the information and explanations given to us, no material discrepancies were noticed on physical verification.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraph 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not given any loans, guarantees or security or made any investments to which provisions of sections 185 and 186 of the Companies Act, 2013 is applicable, and accordingly reporting under clause (iv) of the Order is not applicable.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits under the provisions of Sections 73 to Section 76 of the Companies Act, 2013 during the year. Hence, the provisions of Clause (v) of the Order are not applicable to the Company.
- vi. We have broadly reviewed the book of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records U/s 148(1) of the Act relating to activities for such rules are applicable, and are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- vii. According to the information and explanations given to us in respect of statutory dues:
 - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Service Tax, Sales Tax, Value Added Tax, duty of Custom, duty of Excise, Cess, Goods and Service Tax and other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2021 for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations given to us, there are no dues of income tax, duty of customs and Goods and Service Tax which have not been deposited with the appropriate authorities on account of any dispute.
- viii. In our opinion and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institution and banks. The Company does not have any loans or borrowings from Government and has not issued any debentures.
- ix. The Company did not raise any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Money raised by way of term loans have been applied by the company during the year for the purposes for which those were raised.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.



wires & fabriks

- xi. According to the information and explanations given to us, the company has paid or provided for managerial remuneration in accordance with requisite approvals mandated by the provisions for managerial remunerations of Section 197 read with Schedule V to the Companies Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. 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 Ind AS financial statements as required by the applicable Indian Accounting Standards.
- xiv. According to the information and explanations given to us and based on our examination of the records, the Company has not made had made any preferential allotment or private placement of shares or fully or partially convertible debentures during the year.
- 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 them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

For **Jain Shrimal & Co.**
Chartered Accountants
FRN: 001704C

Place: **Jaipur**
Dated: **31st May 2021**

(Narendra Shrimal)
Partner
Membership No. 070902

ANNEXURE -B TO THE INDEPENDENT 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 **Wires and Fabriks (S.A.) Limited** ("the Company") as of 31st March 2021 in conjunction with our audit of the Ind AS 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 authorisation of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Jain Shrimal & Co.**
Chartered Accountants
FRN: 001704C

Place: **Jaipur**
Dated: **31st May 2021**

(**Narendra Shrimal**)
Partner



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BALANCE SHEET AS AT 31st MARCH, 2021

	Note	As at 31st March, 2021		As at 31st March, 2020	
		Rupees	Rupees	Rupees	Rupees
I. ASSETS					
Non-Current Assets:					
Property, Plant and Equipment	1	43,47,63,304		42,96,73,951	
Capital work-in-progress	1	1,64,53,706		2,73,56,401	
Right-of-use Assets	1	13,51,464		15,17,253	
Intangible Assets	1	1,02,685		14,65,988	
Financial Assets:					
Loans	2	26,14,900		25,60,900	
Other Financial Assets	3	-		9,70,106	
Other Non Current Assets	4	5,44,37,666		1,59,12,083	
Total Non Current Assets		50,97,23,725	50,97,23,725	47,94,56,682	47,94,56,682
Current Assets:					
Inventories	5	13,91,04,862		20,32,11,403	
Financial assets:					
Trade receivables	6	27,83,41,281		31,84,37,615	
Cash and Cash Equivalents	7	15,23,341		1,10,00,524	
Other Bank Balances	8	18,66,379		6,90,77,455	
Other Financial Assets	9	17,87,973		13,82,602	
Other Current Assets	10	7,58,06,333		7,03,91,299	
Total Current Assets		49,84,30,169	49,84,30,169	67,35,00,898	67,35,00,898
Total Assets			1,00,81,53,894		1,15,29,57,580
II. EQUITY AND LIABILITIES					
EQUITY					
Equity Share Capital	11	3,05,62,500		3,05,62,500	
Other Equity	12	42,12,37,673	45,18,00,173	41,59,11,819	44,64,74,319
LIABILITIES					
Non-Current Liabilities:					
Financial Liabilities:					
Borrowing	13	21,37,12,433		17,18,27,860	
Provision	14	1,28,14,549		1,01,30,267	
Deferred Tax Liabilities (net)	15	2,10,31,493		2,99,65,738	
Other Non Current Liabilities	16	2,44,05,390		2,71,77,912	
Total Non Current Liabilities		27,19,63,865	27,19,63,865	23,91,01,777	23,91,01,777
Current Liabilities:					
Financial Liabilities:					
Borrowings	17	2,13,54,580		171,341,577	
Trade Payables Due to	18	-		37,32,913	
Micro and Small Enterprise		-		10,16,60,117	
Other than Micro and Small Enterprise		4,25,40,223		10,16,60,117	
Other Financial Liabilities	19	9,47,47,269		7,49,83,356	
Current Tax Liabilities (Net)	20	21,05,982		61,43,630	
Other Current Liabilities	21	7,42,05,334		6,56,12,362	
Provisions	22	4,94,36,468		4,39,07,529	
Total Current Liabilities		28,43,89,856	28,43,89,856	46,73,81,484	46,73,81,484
Total Equity and Liabilities			1,00,81,53,894		1,15,29,57,580
Significant Accounting Policies	Annexed		-		-
See Accompanying Notes to the Financial Statements	1-47				

As per our Report of even date

For and on behalf of the Board

for **JAIN SHRIMAL & CO.**
Chartered Accountants
Firm Reg. No. 001704C
Narendra Shrimal

Jaspreet Singh Dhir
Company Secretary

Rajesh Patni
CFO

M. Khaitan
Managing Director
(DIN: 00459612)

K.K. Khaitan
Chairman cum Managing
Director (DIN: 00514864)

JAIPUR
The 31st day of May, 2021

Partner
M. No. 070902



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STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2021

	Note	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
		Rupees	Rupees	Rupees	Rupees
Revenue From Operations	23		89,23,84,555		98,36,89,270
Other income	24		1,38,76,604		26,96,528
Total income			90,62,61,159		98,63,85,798
Expenses:					
Cost of materials consumed			25,13,10,609		23,58,56,258
Purchase of stock-in-trade			1,15,41,477		7,76,92,128
Changes in inventories of finished goods, work in progress and stock-in-trade	25		2,50,27,914		-3,30,57,926
Employee benefits expense	26		19,42,33,836		20,75,76,333
Finance costs	27		2,17,43,273		1,76,78,468
Depreciation and amortisation expense	28		8,31,46,138		8,85,83,028
Other expense	29		31,54,79,341		37,41,96,326
Total expenses			90,24,82,588		96,85,24,615
Profit/ (loss) before exceptional items and tax			37,78,571		1,78,61,183
Exceptional items			-		-
Profit/ (loss) before tax			37,78,571		1,78,61,183
Tax expense	31				
Current tax			84,00,000	1,15,00,000	
Deferred tax (Including MAT credit entitlement)			-93,01,371	-89,05,470	
Earlier years adjustments(net)			984	-6,47,912	19,46,618
Profit/ (loss) for the period			46,78,958		1,59,14,565
Other comprehensive income					
a (i) Items that will not be reclassified to profit or loss			13,19,647	5,62,893	
(ii) Income tax relating to items that will not be reclassified to profit or loss			-3,67,126	-1,56,597	
b (i) Items that will be reclassified to profit or loss			-	-	
(ii) Income tax relating to items that will be reclassified to profit or loss			-	-	4,06,296
Total comprehensive income for the period (comprising Profit (Loss) and other Comprehensive Income for the period)			56,31,479		1,63,20,861
Earnings per equity share	33				
a Basic			1.53		5.21
b Diluted			1.53		5.21
Significant Accounting Policies	Annexed				
Accompanying Notes to the Financial Statements	1-47				

As per our Report of even date

For and on behalf of the Board

for **JAIN SHRIMAL & CO.**
Chartered Accountants
Firm Reg. No. 001704C

Jaspreet Singh Dhir
Company Secretary

Rajesh Patni
CFO

M. Khaitan
Managing Director
(DIN: 00459612)

K.K. Khaitan
Chairman cum Managing
Director (DIN: 00514864)

JAIPUR

The 31st day of May, 2021

Narendra Shrimal
Partner

M. No. 070902



wires & fabriks

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
	Rupees	Rupees	Rupees	Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net profit before tax and extra ordinary items		37,78,571		1,78,61,183
Adjustments for :				
Depreciation and amortisation expenses	8,31,46,138		8,85,83,028	
Amortisation of Deferred Endowment	27,72,522		27,72,522	
(Profit) / Loss on sale of assets	-1,33,618		-1,84,723	
Liabilities no longer required written back	-75,628		-4,05,648	
Provision for expected credit loss	39,91,157		24,189	
Income from Interest	-27,56,805		-15,04,234	
Interest expenses	1,47,87,937	10,17,31,703	1,03,22,135	9,96,07,269
Operating profit before changes in current / non-current assets and liabilities		10,55,10,274		11,74,68,452
Adjustments for :				
Non Current / Current Financial and other assets	9,87,65,038		-7,08,18,735	
Inventories	6,41,06,541		-5,27,29,628	
Non Current / Current Financial and other liabilities / provisions	-4,63,22,131	11,65,49,448	5,21,33,521	-7,14,14,842
CASH GENERATED FROM OPERATIONS		22,20,59,722		4,60,53,610
Direct Taxes Paid		-1,20,71,506		-63,33,030
CASH FLOW BEFORE EXTRA ORDINARY ITEMS		20,99,88,216		3,97,20,580
Extra Ordinary Items		-		-
NET CASH FROM OPERATING ACTIVITIES		20,99,88,216		3,97,20,580
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets		-12,00,80,180		-8,19,54,642
Sale of Fixed Assets		27,58,905		29,24,676
Interest Received		27,56,805		15,04,234
NET CASH USED IN INVESTING ACTIVITIES		-11,45,64,470		-7,75,25,732
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Long Term Borrowings		13,02,39,021		-
Repayment of Long Term Borrowing		-6,97,80,000		-6,68,00,000
Proceeds from Short Term Borrowings		-14,99,86,997		12,69,83,037
Interest Paid		-1,48,86,146		-1,09,26,244
Dividend Paid		-4,86,807		-23,37,795
NET CASH USED IN FINANCING ACTIVITIES		-10,49,00,929		4,69,18,998
Net increase / (Decrease) in cash and cash equivalents (A + B + C)		-94,77,183		91,13,846
Opening cash and cash Equivalents		1,10,00,524		18,86,678
Closing cash and cash Equivalents		15,23,341		1,10,00,524

This is the Cash Flow Statement referred to in our report even date.

For and on behalf of the Board

for **JAIN SHRIMAL & CO.**
Chartered Accountants
Firm Reg. No. 001704C
Narendra Shrimal

Jaspreet Singh Dhir
Company Secretary

Rajesh Patni
CFO

M. Khaitan
Managing Director
(DIN: 00459612)

K.K. Khaitan
Chairman cum Managing
Director (DIN: 00514864)

JAIPUR

The 31st day of May, 2021

Partner
M. No. 070902

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED ON 31 ST MARCH, 2021**

Particulars	Equity Share Capital	Reserves & Surplus				Other Comprehensive Income (OCI)	Total
		Capital Reserve	Securities Premium Reserve	Retained Earnings	General Reserve		
Balance as on 1st April, 2019	3,05,62,500	9,250	3,05,62,500	31,04,19,796	5,75,00,000	33,10,094	40,18,01,640
Profit for the period				1,59,14,565			1,59,14,565
Other comprehensive income for the year						4,06,296	4,06,296
Dividends				-18,33,750			-18,33,750
Tax on Dividends				-3,76,932			-3,76,932
Balance as on 31st March, 2020	3,05,62,500	9,250	3,05,62,500	32,41,23,679	5,75,00,000	37,16,390	41,59,11,819
Profit for the period				46,78,958			46,78,958
Other comprehensive income for the year						9,52,521	9,52,521
Dividends				-3,05,625			-3,05,625
Balance as on 31st March, 2021	3,05,62,500	9,250	3,05,62,500	32,84,97,012	5,75,00,000	46,68,911	42,12,37,673

As per our Report of even date

For and on behalf of the Board

for **JAIN SHRIMAL & CO.**

Jaspreet Singh Dhir

Rajesh Patni

M. Khaitan

K.K. Khaitan

Chartered Accountants

Company Secretary

CFO

Managing Director

Chairman cum Managing

Firm Reg. No. 001704C

Narendra Shrimal

(DIN: 00459612)

Director (DIN: 00514864)

Partner

JAIPUR

The 31st day of May, 2021

M. No. 070902

SIGNIFICANT ACCOUNTING POLICIES

Annexed to and forming part of the financial statements for the year ended 31st March, 2021.

A. Corporate Information:

Wires and Fabriks (S.A.) limited ("The Company") is a public limited company incorporated and domiciled in India and has its registered office at 7, Chittaranjan Avenue, Kolkata 700 072, India. The Company is listed on the BSE Limited and Calcutta Stock Exchange Limited. The company is engaged mainly in paper mill products.

B. Significant Accounting Policies:

1. Basis of Preparation and Presentation of Financial Statement

- a) The Financial Statements of the Company have been prepared on historical cost convention under accrual method of accounting and as a going concern concept except for certain assets and liabilities which are measured at fair values as required by the Indian Accounting Standard (Ind AS).

Fair value is the price that would be received to sell an asset or paid to transfer of liability in an ordinary transaction between market participants at the measurement date. All assets and liabilities have been classified as per the Company's normal operating cycle and the other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current and noncurrent classification of assets and liabilities.

- b) The Financial Statements of the Company have been prepared to comply with the Ind AS, including the rules notified under the relevant provisions of Companies Act, 2013. Accounting policies have consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.
- c) Company's Financial Statements are presented in Indian Rupees, which are also its functional currency and all amounts are rounded to the nearest rupees, except as stated otherwise.

2. Property, Plant and Equipment

- a) Property, plant and equipment are stated at cost of acquisition or construction inclusive of freight, net of recoverable taxes /duties, borrowing cost, net changes on foreign exchange contracts and adjustments arising from exchange rate variation attributable to the assets and other directly attributable cost of



wires & fabriks

bringing the assets in its working condition for its intended use, less accumulated depreciation and impairment losses, if any.

Subsequent cost are included in the asset's carrying amount or recognised as a separate cost, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and cost can be measured reliably.

- b) Depreciation on property, plant and equipments other than Wind Power Plants is provided on "straight line method" and on Wind Power Plant on "Written down value method" based on useful life of the assets ascertained by the Company, which are in line with Schedule II to the Companies Act, 2013. Leased assets is amortised over the period of lease.
- c) The gain and loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognised in the Statement of Profit and Loss on the date of disposal or retirement.
- d) Insurance claims for damaged capital goods are accounted for on settlement of claims as per practice.
- e) Expenses incurred relating to the project, net of income earned prior to its intended use are considered as Pre Operative Expenses and disclosed under Capital Work in Progress. Pre-operative expenditure is allocated on the respective assets in the year of capitalisation.

3. Leases

- a) Leases are classified as finance leases wherever the terms of the lease, transfers substantially all the risk and rewards of the ownership to the lessee. Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease.
- b) Leases are classified as right-of-use asset wherever the terms of lease, convey the right to control the use of the asset and has substantially all of the economic benefits from use of asset. Asset held under right-of-use is initially recognized as asset of the company at the fair value at the inception of the lease. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

4. Intangible Assets

- a) Intangible Assets are stated at cost of acquisition or construction inclusive of freight, net of recoverable taxes /duties, borrowing cost, net changes on foreign exchange contracts and adjustments arising from exchange rate variation attributable to the assets and other directly attributable cost of bringing the assets in its working condition for its intended use, less accumulated depreciation and impairment losses, if any.
- b) The gain and loss arising on the disposal or retirement of an item of Intangible assets is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognised in the Statement of Profit and Loss on the date of disposal or retirement.
- c) Computer Software is amortised over a period of 5 years.

5. Inventories

Inventories are valued at lower of cost or net realizable value. Cost of inventories comprises of cost of purchases, cost of conversion and other cost including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition. The Company follows weighted average method for deriving cost of Work-In-Progress and Finished Goods. Provisions are made to cover slow moving and obsolete item. Scrap is valued at estimated market value.

6. Impairment of non financial assets - Property, Plant and Equipment

The Company assesses at each reporting date whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating unit may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

7. Research and development expenditure

Revenue expenditure on research and development is charged as an expense in the year in which it is incurred under respective heads of accounts. Expenditure which results in the creation of capital assets is capitalised and depreciation is provided on such assets as applicable.

8. Employee benefits

a) Short term Employees Benefits Expenses

Short term employee benefits are recognised as expenses at the un-discounted amount in the Statement of Profit and Loss of the year in which the related service is rendered. Termination benefits are recognised as expenses as and when paid.

b) Post Employment Benefits

- i. Employee benefits in the form of Provident Fund, ESIC and Labour Welfare Fund are considered as defined contribution plan and the Company pays the contributions to recognised funds which are charged to the Statement of Profit and Loss during the period when the contributions are due, as per the provisions of respective statutes. The company has no further obligations beyond its stipulated contributions.
- ii. The cost of providing Gratuity, a defined benefit plan is determined using the projected unit credit method, on the basis of actuarial valuation performed by an independent actuary at each Balance Sheet date. Actuarial gain and losses arising from experience adjustments and changes in actuarial assumption are changed or credited to Statement of Profit and Loss in the period in which they arise.
- iii. Provision for Compensated absence and Gratuity liability of whole time Directors and employees, which are defined benefits and determined using the Projected Unit Credit method, on the basis of actuarial valuation performed by an independent actuary at each Balance Sheet date. Actuarial gain and losses arising from experience adjustments and changes in actuarial assumption are changed or credited to Statement of Profit and Loss in the period in which they arise. The Gratuity liability in respect of employees of the Company (except whole time Directors and employees joined after 31.12.2012) is covered through a policy taken by a trust established under the Group Gratuity Scheme with Life Insurance Corporation of India (LIC).

9. Borrowing cost

Borrowing cost consists of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs that are attributable to the acquisition of qualifying assets are capitalised as a part of cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

10. Taxation

- a) Provision for current tax is made and retained in the accounts on the basis of estimated tax liability as per the applicable provisions of the Income Tax Act, 1961 and also considering assessment orders and decisions of appellate authorities in the Company's case. Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India. This gives rise to future economic benefit in the form of tax credit against future income tax liability. The company reviews the position of the MAT credit entitlements at each balance sheet date and recognises the same, if there is convincing evidence that the company will utilise the same for payment of normal tax during the specified period and the resultant credit can be measured reliably.
- b) Deferred tax is recognised on timing differences between carrying amount of assets and liabilities in the Financial Statement and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the assets realised, based on the tax rates and laws that have been enacted or subsequently enacted by the end of the reporting period. The carrying amount of Deferred tax liability and assets are reviewed at the end of each reporting period. Deferred tax liability are generally recognised for all taxable temporary differences and Deferred tax assets are generally recognised for all tax deductible temporary differences, carry forward tax losses and allowances to the extent there is reasonable certainty that these assets can be realised in future.



11. Foreign currency transactions

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary Foreign Currency assets and liabilities are restated at the rates ruling at the end of the year and exchange difference arising out of such transactions are dealt with in the Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to the interest cost on foreign currency borrowing that are directly attributable to the acquisition or construction of qualifying assets, are capitalised as cost of assets.

12. Provisions

Provisions are recognised when there is a present obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimate required to settle the obligation at each Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the best current estimate.

13. Revenue from contract with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, net of returns, discounts, volume rebates, and goods and service tax. The Company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Company regardless of when the payment is being made.

Export Incentives are recognised on post export basis on entitlement rates. Government grants are recognised on receipt / reasonable ascertainment of ultimate collection thereof. Interest income is recognised using the effective interest method

14. Use of estimates

The preparation of Financial Statements requires estimates to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised

15. Financial Instrument

a) Financial Assets

i. Initial Recognition and measurement

Financial Assets and Financial Liabilities are recognized when the Company became a party to the contractual provisions of the instrument. All Financial Assets and Liabilities are initially recognised at fair value except for trade receivable which is initially measured at transaction price. Transaction cost that are directly attributable to the acquisition or issue of financial assets and financial liabilities which are not at fair value are adjusted through profit or loss to the fair value on initial recognitions. Purchase and sale of financial assets are accounted for at trade date.

ii. Subsequent measurement

a) Financial Assets carried at amortised cost (AC)

A financial asset is subsequently measured at amortise cost, if the financial asset is held within a business model, whose objective is to hold the asset in order to collect contractual cash flow and the contractual term of financial asset give rise on specified date to cash flow that are solely payment of principal and interest on principal amount outstanding.

b) Financial Assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if financial assets is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets and the contractual term of financial assets give rise on specified date to the cash flow that are solely payment of principal and interest on principal amount outstanding. The Company has made irrevocable election for its investments which are not

held for trading and are classified as equity instrument to present the subsequent changes in fair value in other comprehensive income on its business model. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of each equity investment.

c) **Financial Assets at fair value through profit or loss (FVTPL)**

A financial asset which is not classified in any of the above categories is measured at fair value through profit or loss (FVTPL).

iii. Other Equity Investments

All other equity investments are measured at fair value with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the company has elected to present the value change in "Other Comprehensive Income".

iv. Impairment of Financial Assets

In accordance with Ind As 109 the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those required at fair value through profit and loss (FVTPL). Expected credit loss is measured through a loss allowance at an amount equal to:-

- The twelve months expected credit loss (expected credit loss that result from those default events on the financial instruments that are possible within twelve months after the reporting date) ; or
- Full lifetime expected credit loss (expected credit loss that result from all possible default events over the lifetime of the financial instruments).

For trade receivables company applies expected lifetime losses from initial recognition of the receivable. For other assets, the company uses twelve month ECL to provide for impairment loss where there is no significant increase in credit risk since initial recognition. If there is a significant increase in credit risk since initial recognition, full lifetime ECL is used.

b) Financial Liability

i. Initial Recognition and measurement

All financial liabilities are recognised at fair value.

ii. Subsequent measurement

Financial liabilities are carried at amortised cost using the effective interest rate method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amount is approximate fair value due to the short maturity of these instruments.

c) Derecognition of financial instruments

The Company derecognises a financial asset when the contractual right to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

16. Government Grants:

The company recognise Government grants only when there is a reasonable assurance that the conditions attached to them shall be complied with and grant will be received. Grants related to assets are treated as deferred income and are recognised in the Statement of Profit and Loss on a systematic and rational basis over the useful life of the assets. Grants related to income are recognised on a systematic basis over the periods necessary to match them with the related cost which they are intended to compensate and are deducted from the expenses in the Statement of Profit and Loss.

17. Contingent Liability and Contingent Assets

Contingent Liabilities are not provided for in the accounts and are separately shown in the Notes on Accounts. Contingent Assets are neither recognised nor disclosed in the Financial Statements.



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NOTES FORMING PART OF THE FINANCIAL STATEMENT

NOTE 1 :PROPERTY, PLANT & EQUIPMENT

GROSS BLOCK							
DESCRIPTION OF ASSETS	As At 1st April, 2019	Adjustments /Additions	Adjustments /(Deductions)	As At 1st April, 2020	Adjustments /Additions	Adjustments /(Deductions)	As at 31st March, 2021
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
1.1 Tangible Assets							
Leasehold Land	8,205	-	-	8,205	-	-	8,205
Buildings	5,87,29,003	76,41,717	-	66,370,720	2,14,921	-	6,65,85,641
Plant & Machinery and Electric Installations	1,42,22,29,800	7,40,76,450	4,56,52,223	1,45,06,54,027	8,24,83,161	30,63,424	1,53,00,73,764
Furniture & Fixtures	69,26,005	2,93,992	4,30,421	67,89,576	69,643	-	68,59,219
Office Equipments etc	3,20,98,490	16,09,098	8,46,184	3,28,61,404	28,07,908	94,824	3,55,74,488
Vehicles	1,54,24,086	-	23,34,425	1,30,89,661	64,73,575	-	1,95,63,236
Sub Total (a)	<u>1,53,54,15,589</u>	<u>8,36,21,257</u>	<u>4,92,63,253</u>	<u>1,56,97,73,593</u>	<u>9,20,49,208</u>	<u>31,58,248</u>	<u>1,65,86,64,553</u>
1.2 Intangible Assets							
Softwares	2,62,03,375	-	-	2,62,03,375	55,000	-	2,62,58,375
Sub Total (b)	<u>26,203,375</u>	<u>-</u>	<u>-</u>	<u>2,62,03,375</u>	<u>55,000</u>	<u>-</u>	<u>2,62,58,375</u>
1.3 Right-of-use Assets							
Leasehold Land	31,50,000	-	-	31,50,000	-	-	31,50,000
Sub Total (c)	<u>31,50,000</u>	<u>-</u>	<u>-</u>	<u>31,50,000</u>	<u>-</u>	<u>-</u>	<u>31,50,000</u>
1.4 Capital Work-in -Progress	4,33,84,819	4,35,07,169	5,95,35,587	2,73,56,401	1,54,29,822	2,63,32,517	1,64,53,706
Sub Total (d)	<u>4,33,84,819</u>	<u>4,35,07,169</u>	<u>5,95,35,587</u>	<u>2,73,56,401</u>	<u>1,54,29,822</u>	<u>2,63,32,517</u>	<u>1,64,53,706</u>
TOTAL (a + b + c + d)	<u>1,60,81,53,783</u>	<u>12,71,28,426</u>	<u>10,87,98,840</u>	<u>1,62,64,83,369</u>	<u>10,75,34,030</u>	<u>2,94,90,765</u>	<u>1,70,45,26,634</u>

DEPERECIATION							
DESCRIPTION OF ASSETS	Up to 1st April, 2019	For the Year	Adjustments /(Deductions)	Up to 1st April, 2020	For the Year	Adjustments /(Deductions)	Up to 31st March, 2021
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
1.1 Tangible Assets							
Leasehold Land	4,141	82	-	4,223	82	-	4,305
Buildings	2,05,95,876	16,17,778	-	2,22,13,654	17,71,559	-	2,39,85,213
Plant & Machinery and Electric Installations	1,03,60,76,067	8,41,77,939	4,31,50,047	1,07,71,03,959	7,93,12,301	4,62,145	1,15,59,54,115
Furniture & Fixtures	43,44,476	5,53,499	4,12,702	44,85,273	5,12,438	-	49,97,711
Office Equipments etc	2,71,26,284	17,28,092	8,46,184	2,80,08,192	15,30,332	70,816	2,94,67,708
Vehicles	90,21,000	13,77,708	21,14,367	82,84,341	12,07,856	-	94,92,197
Sub Total (a)	<u>1,09,71,67,844</u>	<u>8,94,55,098</u>	<u>4,65,23,300</u>	<u>1,14,00,99,642</u>	<u>8,43,34,568</u>	<u>5,32,961</u>	<u>1,22,39,01,249</u>
1.2 Intangible Assets							
Softwares	2,30,02,724	17,34,663	-	2,47,37,387	14,18,303	-	2,61,55,690
Sub Total (b)	<u>2,30,02,724</u>	<u>17,34,663</u>	<u>-</u>	<u>2,47,37,387</u>	<u>14,18,303</u>	<u>-</u>	<u>2,61,55,690</u>
1.3 Right-of-use Assets							
Leasehold Land	14,66,958	1,65,789	-	16,32,747	1,65,789	-	17,98,536
Sub Total (c)	<u>14,66,958</u>	<u>1,65,789</u>	<u>-</u>	<u>16,32,747</u>	<u>1,65,789</u>	<u>-</u>	<u>17,98,536</u>
1.4 Capital Work-in -Progress	-	-	-	-	-	-	-
Sub Total (d)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL (a + b + c + d)	<u>1,12,16,37,526</u>	<u>9,13,55,550</u>	<u>4,65,23,300</u>	<u>1,16,64,69,776</u>	<u>8,59,18,660</u>	<u>5,32,961</u>	<u>12,518,55,475</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENT

NET BLOCK			
DESCRIPTION OF ASSETS	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
	Rupees	Rupees	Rupees
1.1 Tangible Assets			
Leasehold Land	3,900	3,982	4,064
Buildings	4,26,00,428	4,41,57,066	3,81,33,127
Plant & Machinery and Electric Installations	37,41,19,649	37,35,50,068	38,61,53,733
Furniture & Fixtures	18,61,508	23,04,303	25,81,529
Office Equipments etc	61,06,780	48,53,212	49,72,206
Vehicles	1,00,71,039	48,05,320	64,03,086
Sub Total (a)	<u>43,47,63,304</u>	<u>42,96,73,951</u>	<u>43,82,47,745</u>
1.2 Intangible Assets			
Softwares	1,02,685	14,65,988	32,00,651
Sub Total (b)	<u>1,02,685</u>	<u>14,65,988</u>	<u>32,00,651</u>
1.3 Right-of-use Assets			
Leasehold Land	13,51,464	15,17,253	16,83,042
Sub Total (c)	<u>13,51,464</u>	<u>15,17,253</u>	<u>16,83,042</u>
1.4 Capital Work-in -Progress	1,64,53,706	2,73,56,401	4,33,84,819
Sub Total (d)	<u>1,64,53,706</u>	<u>2,73,56,401</u>	<u>4,33,84,819</u>
TOTAL (a + b + c + d)	<u>45,26,71,159</u>	<u>46,00,13,593</u>	<u>48,65,16,257</u>

1.4 Capital Work- in Progress includes Project & Pre- Operative Expenditure Rs. 72,78,711 (Previous year Rs.11,59,973) , pending allocation.

NOTE 2 : LOANS	As at 31st March 2021	As at 31st March 2020
Unsecured and considered good	Rupees	Rupees
Security Deposits	26,14,900	25,60,900
	<u>26,14,900</u>	<u>25,60,900</u>
NOTE 3 : OTHER NON CURRENT FINANCIAL ASSETS		
Other bank balances		
Fixed Deposits	-	9,70,106
	<u>-</u>	<u>9,70,106</u>

3.1 Fixed Deposits are pledged with banks as security against bank guarantees

NOTE 4 : OTHER NON CURRENT ASSETS	As at 31st March 2021	As at 31st March 2020
Unsecured and considered good	Rupees	Rupees
Capital Advances	5,32,40,470	1,43,61,803
Deposits	2,98,213	3,11,403
Others	8,98,983	12,38,877
	<u>5,44,37,666</u>	<u>1,59,12,083</u>

4.1 Others Include claims receivable, prepaid expense, etc.

NOTE 5 : INVENTORIES	As at 31st March 2021	As at 31st March 2020
Raw Materials	5,95,67,209	7,85,72,252
Work-In-Progress	3,46,75,616	4,37,56,853
Finished Goods	1,72,23,739	2,38,94,555
Stock-in-Trade	9,68,238	1,02,00,167
Stores, Spare and Packing Materials	2,64,25,932	4,64,99,516
Scrap	2,44,128	2,88,060
	<u>13,91,04,862</u>	<u>20,32,11,403</u>



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NOTES FORMING PART OF THE FINANCIAL STATEMENT

	As at 31st March 2021		As at 31st March 2020	
	Rupees	Rupees	Rupees	Rupees
5.1 The above include materials in transit :				
Raw Materials		77,16,748		1,56,20,957
Finished Goods		94,11,068		96,15,095
Trading Goods		2,44,150		5,70,305
Stores, Spare and Packing Materials		1,24,813		27,52,514
NOTE 6 : TRADE RECEIVABLES				
Considered Good - unsecured		28,44,98,429		32,67,60,890
Considered Doubtful - unsecured		83,76,279		22,18,995
		<u>29,28,74,708</u>		<u>32,89,79,885</u>
Less: Provision for expected credit loss		1,45,33,427		1,05,42,270
		<u>27,83,41,281</u>		<u>31,84,37,615</u>
NOTE 7 : CASH AND CASH EQUIVALENTS				
Cash and Cash Equivalent				
Balances with Banks		9,12,380		9,732,360
Cheques on Hand		-		-
Cash on Hand		6,10,961		12,68,164
		<u>15,23,341</u>		<u>1,10,00,524</u>
NOTE 8 : OTHER BANK BALANCES				
Other bank balances				
On Fixed Deposits		9,70,106		6,80,00,000
Unpaid Dividend Account		8,96,273		10,77,455
		<u>18,66,379</u>		<u>6,90,77,455</u>
8.1 Fixed Deposits are pledged with banks as security against bank guarantees.				
NOTE 9 : OTHER CURRENT FINANCIAL ASSETS				
Unsecured and Considered Good				
Advances		9,51,299		6,80,179
Interest Accrued but not due		8,36,674		7,02,423
		<u>17,87,973</u>		<u>13,82,602</u>
NOTE 10 : OTHER CURRENT ASSETS				
Unsecured and Considered Good				
Balance with Statutory Authorities		10,358,820		75,02,919
Others (Refer Note 30)		6,54,47,513		6,28,88,380
		<u>7,58,06,333</u>		<u>7,03,91,299</u>
10.1 Others include advance to suppliers, claims and prepaid expenses.				
NOTE 11 : EQUITY SHARE CAPITAL				
Authorized :				
25000000 (25000000) Equity Shares of Rs.10/-each		25,00,00,000	25,00,00,000	
1000000 (1000000) Redeemable Preference Shares of Rs.10/- each		1,00,00,000	10,00,000	26,00,00,000
		<u>26,00,00,000</u>		<u>26,00,00,000</u>
Issued, Subscribed and Fully Paid up :				
3056250 (3056250) Equity Shares of Rs.10/-each		3,05,62,500		3,05,62,500
		<u>3,05,62,500</u>		<u>3,05,62,500</u>
		<u>As at 31st March 2021</u>	<u>As at 31st March 2020</u>	
		Nos.	Nos.	Rupees
11.1 Reconciliation of number of Equity Shares outstanding is given blow :				
Shares outstanding at the beginning of the year		30,56,250	30,56,250	3,05,62,500
Change during the year		-	-	-
Shares outstanding at the end of the year		<u>30,56,250</u>	<u>30,56,250</u>	<u>3,05,62,500</u>
11.2 Rights attached to Equity Shares				
The Company has only one class of shares (issued), having face value of Rs. 10/- each. Each holder of Equity Shares is entitled to one vote per				

NOTES FORMING PART OF THE FINANCIAL STATEMENT

share. The Dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the

	As at 31st March 2021		As at 31st March 2020	
	Nos.	% held	Nos.	% held
Company after distribution of all preferential amounts, in proportion to their shareholding.				
11.3 Shares held by holding company				
Equity Shares				
W&F Securities Private Limited - Holding Company	19,22,314	62.90%	19,22,314	62.90%
11.4 Details of shareholders holding more than 5% shares				
Equity Shares				
W&F Securities Private Limited	19,22,314	62.90%	19,22,314	62.90%
	As at 31st March 2021		As at 31st March 2020	
	Rupees	Rupees	Rupees	Rupees
BKM Mercantile LLP	3,47,642	11.37%	3,47,642	11.37%
NOTE 12 : OTHER EQUITY				
Capital Reserve:				
As per last Account		9,250		9,250
Security Premium Account :				
As per last Account		3,05,62,500		3,05,62,500
General Reserve :				
As per last Account		5,75,00,000		5,75,00,000
Retained Earnings :				
Balance as per last account	32,41,23,679		31,04,19,796	
Add: Profit for the year (as per Annexed Statement of Profit & Loss)	46,78,958		1,59,14,565	
	32,88,02,637		32,63,34,361	
Less: Appropriations				
Dividend paid during the year	3,05,625		18,33,750	
Tax on Dividend paid	-	32,84,97,012	3,76,932	32,41,23,679
Other Comprehensive income (OCI)				
Balance as per Last Account	37,16,390		33,10,094	
Re-measurement of the net defined benefit plans	13,19,647		5,62,893	
Income Tax effect	-3,67,126	46,68,911	-1,56,597	37,16,390
		42,12,37,673		41,59,11,819
NOTE 13 : BORROWINGS				
Secured				
Term Loans from Banks	23,19,46,881		23,86,27,860	
Working Capital Term Loans from Banks	6,71,40,000	29,90,86,881	-	23,86,27,860
Less: Current Maturities		8,53,74,448		6,68,00,000
		21,37,12,433		17,18,27,860

13.1 All Term Loans from banks are secured by joint equitable mortgage of immovable properties (present and future), hypothecation of fixed assets and second charge over the current assets, ranking pari passu among the lenders.

13.2 All Working Capital Term Loans from banks are secured by hypothecation of current assets and second charge on fixed assets and immovables of the company ranking pari passu among the lenders.

13.3 Term Loans from banks are re-payable in quarterly installments and Working Capital Term Loans are re-payable in monthly installments, maturity profile are given here in under:

	1-2 Year	2-3 Year	3-4 Year
Maturity profile	9,93,14,673	7,56,17,536	3,87,80,224



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NOTES FORMING PART OF THE FINANCIAL STATEMENT

	As at 31st March 2021 Rupees	As at 31st March 2020 Rupees
NOTE 14 : NON CURRENT PROVISIONS		
Provision for Employee's Benefits (Refer Note 34)		
Leave encashment	1,28,14,549	92,62,244
Gratuity	-	8,68,023
	<u>1,28,14,549</u>	<u>1,01,30,267</u>
NOTE 15 : DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liability		
Difference between book and tax depreciation and OCI	2,85,28,261	3,20,40,944
	<u>2,85,28,261</u>	<u>3,20,40,944</u>
Deferred Tax Assets		
Disallowances under the Income Tax Act, 1961	74,96,768	20,75,206
	<u>74,96,768</u>	<u>20,75,206</u>
Net Deferred Tax Liability	<u>2,10,31,493</u>	<u>2,99,65,738</u>
NOTE 16 : OTHER NON CURRENT LIABILITIES		
Deferred Endowment (Refer Note 30)	2,44,05,390	2,71,77,912
	<u>2,44,05,390</u>	<u>2,71,77,912</u>
NOTE 17 : BORROWINGS - CURRENT		
Secured		
Working Capital Loans from Banks	2,13,54,580	17,13,41,577
	<u>2,13,54,580</u>	<u>17,13,41,577</u>
17.1 Working Capital Loans from banks are secured against hypothecation of raw materials, finished goods, work-in-process, packing materials, book debts, bills for collection and other current assets and second charge over fixed assets and immovables of the company, pari passu among the lenders, payable on demand.		
NOTE 18 : TRADE PAYABLES		
Trade Payables Due to		
Due to Micro and Small Enterprises	-	37,32,913
Other than Micro and Small Enterprise	4,25,40,223	10,16,60,117
	<u>4,25,40,223</u>	<u>10,53,93,030</u>
18.1 Based on the information received by the Company from its suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the relevant information are as follows :-		
i) Amount due to Micro, Small and Medium Enterprises (MSME):	31.03.2021	31.03.2020
Principal amount	Nil	37,32,913
Interest due on above and unpaid	Nil	Nil
ii) Interest paid alongwith principal amount paid beyond appointed day during the year.	Nil	Nil
iii) Interest due and payable for the period of delay on principal amount paid beyond appointed day / due date during the year.	Nil	Nil
iv) Interest accrued and remaining unpaid	Nil	Nil
v) Further interest remaining due and payable in the succeeding year.	Nil	Nil
NOTE 19 : OTHER CURRENT FINANCIAL LIABILITIES		
Current Maturities of debts (Refer Note 13)	8,53,74,448	6,68,00,000
Interest accrued but not due on borrowings	19,79,368	20,77,577
Unclaimed Dividend	8,96,273	10,77,455
Creditors for Capital Goods	64,97,180	50,28,324
	<u>9,47,47,269</u>	<u>7,49,83,356</u>
19.1 Unclaimed Dividend does not include any amount, due and outstanding, to be credited to Investor Education & Protection Fund.		
NOTE 20 : CURRENT TAX LIABILITIES (Net)		
Provision for taxation (net of advance tax & TDS)	21,05,982	61,43,630
	<u>21,05,982</u>	<u>61,43,630</u>

**NOTES FORMING PART OF THE FINANCIAL STATEMENT**

	As at 31st March 2021		As at 31st March 2020	
	Rupees	Rupees	Rupees	Rupees
NOTE 21 : OTHER CURRENT LIABILITIES				
Advance from Customers		2,32,36,613		2,55,78,146
Statutory Dues		61,74,196		61,67,788
Deferred Endowment (Refer Note 30)		27,72,522		27,72,522
Other Payables		4,20,22,003		3,10,93,906
		<u>7,42,05,334</u>		<u>6,56,12,362</u>
21.1 Other payables include liabilities for expenses.				
NOTE 22 : PROVISIONS				
Provision for Employee's Benefits (Refer Note 34)		3,59,23,199		2,88,83,484
Other Provisions		1,35,13,269		1,50,24,045
		<u>4,94,36,468</u>		<u>4,39,07,529</u>
		For the year ended		For the year ended
		31st March 2021		31st March 2020
	Rupees	Rupees	Rupees	Rupees
NOTE 23 : REVENUE FROM OPERATIONS				
Sale of Products	88,82,86,671		97,84,34,267	
Other operating Revenues	40,97,884	89,23,84,555	52,55,003	98,36,89,270
		<u>89,23,84,555</u>		<u>98,36,89,270</u>
NOTE 24 : OTHER INCOME				
Interest :				
On Fixed Deposits	11,75,166		10,12,940	
From Others	15,81,639	27,56,805	4,91,294	15,04,234
Miscellaneous Income		1,09,10,553		6,01,923
Profit on Sale of Fixed Assets(Net)		1,33,618		1,84,723
Liabilities no longer required written back		75,628		4,05,648
		<u>1,38,76,604</u>		<u>26,96,528</u>
24.1 Miscellaneous Income includes maturity proceeds of keyman insurance Rs 1,00,00,000 (Rs. Nil)				
NOTE 25 : CHANGE IN INVENTORIES OF FINISHED GOODS, WORK IN PROCESS AND STOCK IN TRADE				
Inventories (at close)				
Finished Goods	1,72,23,739		2,38,94,555	
Stock - in - Trade	9,68,238		1,02,00,167	
Work in Progress	3,46,75,616		4,37,56,853	
Scrap	2,44,128	5,31,11,721	2,88,060	7,81,39,635
Inventories (at commencement)				
Finished Goods	2,38,94,555		43,78,258	
Stock - in - Trade	1,02,00,167		9,59,417	
Work in Progress	4,37,56,853		3,92,31,844	
Scrap	2,88,060	7,81,39,635	5,12,190	4,50,81,709
Change in Inventories		<u>2,50,27,914</u>		<u>-3,30,57,926</u>
NOTE 26 : EMPLOYEES BENEFITS EXPENSE				
Salaries and Wages (Refer Note 34)		18,37,04,520		19,52,13,583
Contribution to Provident and Other funds (Refer Note 34)		96,31,082		1,06,43,250
Staff Welfare Expenses		8,98,234		17,19,500
		<u>19,42,33,836</u>		<u>20,75,76,333</u>
NOTE 27 : FINANCE COSTS				
Interest Expenses (Refer Note 30)		1,47,87,937		1,03,22,135
Other Borrowing costs		69,55,336		73,56,333
		<u>2,17,43,273</u>		<u>1,76,78,468</u>



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NOTES FORMING PART OF THE FINANCIAL STATEMENT

	For the year ended 31st March 2021		For the year ended 31st March 2020	
	Rupees	Rupees	Rupees	Rupees
NOTE 28 : DEPRECIATION AND AMORTISATION EXPENSES				
Depreciation and Amortisation (Refer Note 30)		<u>8,31,46,138</u>		<u>8,85,83,028</u>
		<u>8,31,46,138</u>		<u>8,85,83,028</u>
NOTE 29 : OTHER EXPENSES				
Consumption of Stores & Spare		5,16,46,596		4,92,17,734
Consumption of Packing material		7,08,50,067		7,00,91,445
Power and Fuel		2,23,99,586		2,34,99,682
Job Charges		4,15,16,001		3,59,02,231
Professional Expenses		1,38,35,020		1,65,82,994
Freight & Forwarding Charges		1,29,41,292		1,50,30,902
Sales Commission		1,73,30,027		1,99,95,652
Claims and Compensations		1,93,89,849		3,16,62,054
Rent		44,41,644		42,47,101
Rates & Taxes (excluding taxes on Income)		3,47,787		4,57,133
Insurance		76,31,292		40,19,768
Travelling & Conveyance Expenses		71,04,994		4,20,78,151
Miscellaneous Expenses		4,60,45,186		6,14,11,479
		<u>31,54,79,341</u>		<u>37,41,96,326</u>

29.1 Miscellaneous Expenses includes :-

(a) Fees paid / payable to Auditors.				
i) For Services as Auditors		2,00,000		2,00,000
ii) For Certifications		71,100		89,500
		<u>2,71,100</u>		<u>2,89,500</u>
(b) Foreign exchange fluctuation		11,23,589		5,60,661
(c) Director's Sitting Fee		7,65,000		9,15,000
(d) Bad Debts		3,99,060		34,68,158

NOTE 30 : Deferred Endowment represents the amount of government endowment to be amortised over the period of useful life of related asset and shown as non-current and current liabilities. During the year Rs 27,72,522 (Rs. 27,72,522) has been amortised and adjusted in Depreciation & Amortisation Expenses. Interest expenses are net of Interest reimbursement received / receivable Rs. 1,76,09,881 (Rs. 2,53,77,669). Interest reimbursement claims receivable Rs. 4,77,76,916 (Rs. 3,90,25,612) is included in other current assets.

NOTE 31 : Income Taxes

Income Tax recognised in the Statement of Profit and Loss by applying the applicable tax rates to the income before income tax is summarised below

	2020-2021	2019-2020
Profit Before Tax	37,78,571	1,78,61,183
Applicable Tax Rate	27.82%	27.82%
Computed Tax Expenses	10,51,198	49,68,981
Additional tax benefits on capital investments, net of expenses disallowed.	-19,51,585	-30,22,363
Mat Credit and Other Adjustments	-	-
Net Expenses recognised in the Statement of Profit and Loss	<u>-9,00,387</u>	<u>19,46,618</u>

NOTE 32 : Contingent Liabilities and Commitments (to the extent not provided for) :

32.1 Contingent Liabilities :

- Guarantees issued by banks for Rs. 29,11,418 (Rs. 20,60,527)
- Letters of Credits issued by banks for Rs 5,68,23,889 (Rs. Nil)
- Claims against the Company not acknowledged as debt Rs 13,89,647 (Rs. 13,89,647)

32.2 Commitments :

- Estimated amount of Contract remaining to be executed on capital account, not provided for Rs 45,71,88,396 (Rs. 3,78,43,153), advances paid Rs 5,32,40,470 (Rs. 1,43,61,603).



NOTES FORMING PART OF THE FINANCIAL STATEMENT

	<u>2020-2021</u>	<u>2019-2020</u>
NOTE 33 : Earning per Share (EPS) :		
a) Weighted average number of Equity shares of Rs. 10/- each		
Number of shares at the beginning of the year	30,56,250	30,56,250
Shares issued during the year	-	-
Total Number of equity shares outstanding at the end of the year	30,56,250	30,56,250
Weighted average number of equity shares outstanding during the year	30,56,250	30,56,250
b) Net profit after tax available for equity share holders	46,78,958	1,59,14,565
c) Basic and Diluted earning per share (Rs.)	1.53	5.21

NOTE 34 : Employees Benefits Expenses :

- a) As per the Indian Accounting Standard 19 "Employee benefit" the disclosures as defined are given below :
- i) Defined Contribution Plans Contribution to Defined Contribution Plans (Employers' Contribution to Provident Fund and Employees State Insurance Corp.) are recognised as expenses and charged to the Statement of Profit & Loss
- ii) Defined Benefit Plans Employees Gratuity and Leave encashment are considered as defined benefit plans. The obligation's are recognised in the Statement of Profit and Loss as per the actuarial valuation. The position of actuarial valuation performed by an independent actuary is as under:

	<u>As at 31st March 2021</u>		<u>As at 31st March 2020</u>	
	Gratuity Partly funded	Leave Encashment Non funded	Gratuity Partly funded	Leave Encashment Non funded
a) Defined Benefit Obligation (DBO)				
Opening balance	1,14,09,840	3,22,80,087	1,09,74,177	2,65,73,366
Inc-/(decrease) in scope of consolidation	-	-	-	-
Current service cost	7,06,931	20,08,961	7,47,345	16,03,025
Interest cost	7,27,224	20,26,658	7,92,077	19,04,009
Past service cost	-	-	-	-
Actuarial (gains) / losses from financial assumptions	-50,722	2,43,545	6,18,604	13,61,246
Actuarial (gains) / losses from demographic assumptions	-	-	-4,819	-5,250
Actuarial (gains) / losses from experience adjustments	-12,68,925	63,94,779	-11,76,678	11,01,287
Contributions by plan participants	-	-	-	-
Benefits paid	-5,46,346	-2,21,837	-5,40,866	-2,57,596
Curtailments - (gains)/losses	-	-	-	-
Settlements - (gains)/losses	-	-	-	-
Closing balance	1,09,78,002	4,27,32,193	1,14,09,840	3,22,80,087
b) Fair value of plan assets				
Opening balance	61,04,995	-	57,11,828	-
Inc-/(decrease) in scope of consolidation	-	-	-	-
Interest income on plan assets	3,94,248	-	4,21,622	-
Contributions by employer	4,11,344	2,21,837	5,12,411	2,57,596
Contributions by plan participants	-	-	-	-
Benefits paid	-5,46,346	-2,21,837	-5,40,866	-2,57,596
Excess / (insufficient) return on plan assets (excluding interest income)	-	-	-	-
Settlements - gains / (losses)	-	-	-	-
Closing balance	63,64,241	-	61,04,995	-
c) Reimbursement rights				
Opening balance	-	-	-	-
Inc-/(decrease) in scope of consolidation	-	-	-	-
Cost of reimbursement rights through P&L	-	-	-	-
Contributions by employer	-	-	-	-
Benefits paid / settlements	-	-	-	-
Excess / (insufficient) return on plan assets (excl. Interest income)	-	-	-	-
Closing balance	-	-	-	-



NOTES FORMING PART OF THE FINANCIAL STATEMENT

	As at 31st March 2021		As at 31st March 2020	
	Gratuity Partly funded	Leave Encashment Non funded	Gratuity Partly funded	Leave Encashment Non funded
d) Calculation net position				
Actuarial present value of retirement pension commitment (DBO)	1,09,78,002	4,27,32,193	1,14,09,840	3,22,80,087
Fair value of plan assets	63,64,241	-	61,04,995	-
Net funded status - liability/(asset)	46,13,761	4,27,32,193	53,04,845	3,22,80,087
Unrecognized assets	-	-	-	-
Reimbursement rights	-	-	-	-
Net liability / (asset) recognized in BS	46,13,761	4,27,32,193	53,04,845	3,22,80,087
e) In Profit & Loss Statement				
Current service cost	7,06,931	20,08,961	7,47,345	16,03,025
Net interest on net DBO	3,32,976	20,26,658	3,70,455	19,04,009
Past service cost	-	-	-	-
The effect of any curtailment or settlement	-	-	-	-
Interests on unrecognized asset (share of interest income on plan assets)	-	-	-	-
Cost / (return) on reimbursement rights	-	-	-	-
Actual (gains) / Losses	66,38,324	-	24,57,283	-
Employee benefit cost of the period	10,39,907	1,06,73,943	11,17,800	59,64,317
Actual return on plan assets	3,94,248	-	4,21,622	-
f) In Other comprehensive income				
Actuarial (gains) / losses	-13,19,647	-	-5,62,893	-
(Excess) / insufficient return on plan assets (excl. interest income)	-	-	-	-
Change in unrecognized assets	-	-	-	-
Revaluation of reimbursement right	-	-	-	-
Expense / (income) recognized in OCI	-13,19,647	-	-5,62,893	-
g) Movements in net liability/(asset)				
Opening balance - Net liability/(asset)	53,04,845	3,22,80,087	52,62,349	2,65,73,366
Mov. in inc-/ (decrease) in scope of consolidation	-	-	-	-
Mov. in benefits paid	-	-	-	-
Mov. in contributions by the employer	-4,11,344	-2,21,837	-5,12,411	-2,57,596
Mov. in contributions by the plan participants	-	-	-	-
Mov. in reimbursement rights	-	-	-	-
Expenses (income) recognized in income statement	10,39,907	1,06,73,943	11,17,800	59,64,317
Expense (income) recognized in OCI	-13,19,647	-	-5,62,893	-
Net liability/(assets) - Status	46,13,761	4,27,32,193	53,04,845	3,22,80,087
h) Actuarial assumptions				
Discount rate current year (%)	6.60%	6.19%	6.53%	6.30%
Expected rate for salary increases (%)	5.00%	5.00%	5.00%	5.00%
Pension trend (%)	-	-	-	-
Number of insured employees	195	194	203	201
Number of insured retired persons	-	-	-	-
Number of defined contribution plans	-	-	-	-
Number of defined benefit plans	1	1	1	1
thereof number of defined benefit funded	1	-	1	-
thereof number of defined benefit unfunded	-	1	-	1
Expected contributions to be paid for next year	57,00,325	-	64,71,447	-
Weighted average duration of the defined benefit plan (in years)	9.10	6.51	9.46	6.48
i) Sensitivity				
DBO at 31.3 with discount rate +1%	1,03,16,317	4,06,77,286	1,06,99,794	3,07,71,759
Corresponding service cost	6,27,139	18,22,860	6,62,160	1,451,560
DBO at 31.3 with discount rate -1%	1,17,66,066	4,51,72,415	1,22,55,338	3,40,82,722
Corresponding service cost	8,05,987	22,33,939	8,52,679	17,87,139
DBO at 31.3 with +1% salary escalation	1,16,37,642	4,51,77,183	1,21,25,977	3,40,88,301

**NOTES FORMING PART OF THE FINANCIAL STATEMENT**

	As at 31st March 2021		As at 31st March 2020	
	Gratuity Partly funded	Leave Encashment Non funded	Gratuity Partly funded	Leave Encashment Non funded
Corresponding service cost	7,96,723	22,34,382	8,42,467	17,87,714
DBO at 31.3 with -1% salary escalation	1,04,17,438	4,06,37,639	1,07,99,958	3,07,41,296
Corresponding service cost	6,33,846	18,19,303	6,69,492	14,48,528
DBO at 31.3 with +50% withdrawal rate	1,10,01,455	4,27,59,655	1,14,35,556	3,23,05,057
Corresponding service cost	7,09,195	20,10,929	7,49,822	16,04,995
DBO at 31.3 with -50% withdrawal rate	1,09,54,134	4,27,04,359	1,13,83,670	3,22,54,742
Corresponding service cost	7,04,596	20,06,945	7,44,797	16,01,006
DBO at 31.3 with +10% mortality rate	1,09,83,178	4,27,39,065	1,14,15,119	3,22,85,640
Corresponding service cost	7,07,511	20,09,624	7,47,947	16,03,621
DBO at 31.3 with -10% mortality rate	1,09,72,808	4,27,25,294	1,14,04,542	3,22,74,513
Corresponding service cost	7,06,349	20,08,295	7,46,740	16,02,426
j) Major categories of total plan assets				
Cash- & cash equivalents	63,64,241		61,04,995	
thereof non-quoted market price	63,64,241		61,04,995	
Equity instruments	-		-	
thereof non-quoted market price	-		-	
Debt instruments	-		-	
thereof non-quoted market price	-		-	
Real estate investments	-		-	
thereof non-quoted market price	-		-	
All other instruments	-		-	
thereof non-quoted market price	-		-	
Total	63,64,241		61,04,995	
Annual comparison				
in absolute terms:				
Defined benefit obligation (DBO)	1,09,78,002	4,27,32,193	1,14,09,840	3,22,80,087
Fair value of plan assets	63,64,241	-	61,04,995	-
Asset ceiling	-	-	-	-
Net funded status	46,13,761	4,27,32,193	53,04,845	3,22,80,087

NOTE 35 : AS PER IND AS 24, THE DISCLOSURES OF TRANSACTIONS WITH THE RELATED PARTIES ARE GIVEN BELOW**35.1 Names of the related parties with whom transactions were carried out during the year and description of relationship :**

- | | |
|---|---|
| <p>a) Enterprises over which Key Management Personnel exercises significant influence :</p> <ul style="list-style-type: none"> i) Kingsley Industries Ltd ii) W & F Securities Pvt Ltd (Holding Company) iii) Nathmall Jankilal iv) Glory Warehousing LLP v) SMK Foundation <p>c) Relatives of Key Management personnel</p> <ul style="list-style-type: none"> i) Ms. Pranika Khaitan Rawat D/o Mr. Mahendra Khaitan | <p>b) Key Management personnel</p> <ul style="list-style-type: none"> i) Mr. K K Khaitan ii) Mr. Mahendra Khaitan iii) Mr. Devesh Khaitan iv) Mr. Rajesh Patni v) Mr. Abhishek Upadhyaya vi) Mr. Jaspreet Singh Dhir |
|---|---|

35.2 The following transactions were carried out with the related parties in the ordinary course of business and on an arm's length basis.**a) Details relating to parties referred to in item 35.1(a) above**

	2020-21 Rupees	2019-20 Rupees
i) Purchase and receiving of Services	61,00,482	52,44,793
ii) Sale and rendering of Services	34,20,000	-
iii) Purchase of Capital Goods	2,10,000	-
iv) Rent Paid	43,36,350	36,51,807
v) Donations	20,00,000	20,00,000



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NOTES FORMING PART OF THE FINANCIAL STATEMENT

	2020-21 Rupees	2019-20 Rupees
vi) Outstanding - Payable (Net)	Nil	36,98,816
vii) Outstanding - Receivable (Net)	Nil	Nil
viii) Provisions for doubtful debts /amounts written off /written back	Nil	Nil
b) Details relating to parties referred to in item 35.1 (b) above.		
i) Remuneration	5,58,55,521	7,47,85,557
ii) Outstanding - Payable	Nil	Nil
iii) Provisions for doubtful debts /amounts written off /written back	Nil	Nil
c) Details relating to parties referred to in item 35.1 (c) above.		
i) Fee for attending the Board Meetings	1,05,000	1,20,000
ii) Outstanding - Payable	Nil	Nil
iii) Provisions for doubtful debts /amounts written off /written back	Nil	Nil
NOTE 36 : Research & Development Expenditure :		
Capital Expenditure (included in Plant & Machinery)	14,500	4,07,671
Revenue Expenditure	2,36,64,589	2,67,25,669

NOTE 37 : Money received from directors during the year

Nil Nil

NOTE 38 : The company is predominantly engaged in a single reportable operating segment of Paper Mill products during the year, hence segment information is not reported.

NOTE 39 : Events after the Reporting Period -

The Board of Directors at its meeting held on 31.05.2021 has proposed Dividend of Rs 0.10 per equity share for the year ended on 31st March 2021, after the Balance Sheet date. The proposed Dividend on Equity Shares for the year is Rs. 3,05,625 (3,05,625).

NOTE 40 : Capital management

The company's capital management is intended to create value for shareholders and maintain optimum capital structure to reduce the cost of capital. The Company determines the amount of capital required on the basis of annual business plan, coupled with long term and short term requirements and company's expansion / modernisation plans, reviewed by Board of Directors. The funding needs are generally met through long term and short term bank borrowings. The Company monitors the capital structure on the basis of net debt to equity and maturity profiles of the overall debt portfolio of the company. Net debt includes interest bearing borrowings less cash and cash equivalents and current investments, if any.

The table below summarised the capital, net debt to equity ratio of the Company:

	<u>As at 31.03.2021</u>	<u>As at 31.03.2020</u>
Equity share capital	3,05,62,500	3,05,62,500
Other equity	42,12,37,673	41,59,11,819
Total Equity (A)	45,18,00,173	44,64,74,319
Non current borrowings	21,37,12,433	17,18,27,860
Short term borrowings	2,13,54,580	17,13,41,577
Current maturities of long term borrowings	8,53,74,448	6,68,00,000
Gross Debts (B)	32,04,41,461	40,99,69,437
Less: Cash and cash equivalents	15,23,341	1,10,00,524
Less: Other Bank Balances (excluding balances in unpaid dividend accounts)	9,70,106	6,89,70,106
Net Debt (C-B)	31,79,48,014	32,99,98,807
Net debt to Equity	0.70	0.74

NOTE 41 : Disclosure on Financial Instruments

The table below present the carrying value and fair value hierarchy of each category of financial assets and financial liabilities as on respective balance sheet date :

	Carrying Value	<u>As at 31.03.2021</u>		
		Fair Value measurement hierarchy		
		Level 1	Level 2	Level 3
a Financial Assets				
i) At Amortised cost				
Trade receivable	27,83,41,281			
Cash and bank balances	33,89,720			
Loans	26,14,900			
Other financial assets	17,87,973			
	<u>28,61,33,874</u>			

NOTES FORMING PART OF THE FINANCIAL STATEMENT

	Carrying Value	As at 31.03.2021		
		Fair Value measurement hierarchy		
		Level 1	Level 2	Level 3
b Financial Liabilities				
i) At Amortised cost				
Borrowings	23,50,67,013			
Trade payables	-			
Other financial liabilities	9,47,47,269			
	<u>32,98,14,282</u>			
		As at 31.03.2020		
	Carrying Value	Fair Value measurement hierarchy		
		Level 1	Level 2	Level 3
a Financial Assets				
i) At Amortised cost				
Trade receivable	31,84,37,615			
Cash and bank balances	8,10,48,085			
Loans	25,60,900			
Other financial assets	13,82,602			
	<u>40,34,29,202</u>			
b Financial Liabilities				
i) At Amortised cost				
Borrowings	34,31,69,437			
Trade payables	-			
Other financial liabilities	7,49,83,356			
	<u>41,81,52,793</u>			

The fair value hierarchy categorised financial instruments into Level 1 to 3, as described below:

- Quoted prices in an active market (**Level 1**):
This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consist of investment in quoted equity shares.
- Valuation techniques with observable inputs (**Level 2**):
This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within level 1 that are observable for the assets or the liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Valuation techniques with significant unobservable inputs (**Level 3**):
This level of hierarchy includes financial assets and liabilities, measured using inputs that are not based on observable market data (unobservable inputs).
- Short term financial assets and financial liabilities are stated at carrying value which is approximately equals to their fair value.

NOTE 42: Financial Risk Management

In the Course of its business , the Company is exposed to a variety of financial risk, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy to monitor financial risk - Market risk, Credit risk and Liquidity risk associated with financial assets and liabilities. The risk management policies is reviewed by Board of Director periodically and required mitigation steps are taken.

a) Market Risk

The primary market risk to the Company is fluctuation in foreign currency exchange rates. The Company is exposed to foreign currency risk through its sales in overseas countries (exports) and purchases from overseas suppliers (imports) in foreign currencies. The company pays off its foreign exchange exposure within a short period of time. Presently Company's exports broadly mitigate the risk for imports except capital goods. However, with increase in exports, profitability may be partly affected if rupee appreciates. The Company has facilities of derivative financial instrument- foreign exchange forward and option contracts to mitigate the risk.

b) Credit Risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs. 29,28,74,708 and Rs 32,89,79,885 as on 31.03.21 and as on 31.03.20 respectively. Trade receivable are unsecured and are derived from revenues from customers. The company has a Credit review & monitoring system which includes credit approvals, credit limits and monitoring. Doubtful debt strategies are made for recovery and limiting future exposure. Exports are preferably through LC or advance, besides covering the risk from credit risk agency, wherever applicable. Credit risk on cash and cash equivalent and bank balances is limited as the Company generally maintain balances / deposits with recognised banks.



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NOTES FORMING PART OF THE FINANCIAL STATEMENT

c) Liquidity Risk

Liquidity risk refer to the risk that the Company may not able to meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per the requirement. The Company has obtained adequate fund and non fund based working capital limits from its bankers. The Company maintains its surplus funds, if any, in deposits / balances which carry low risk. The Company believes that the working capital is sufficient to meet its current requirements.

The Table below provides details regarding the Company maturities of financial liabilities:

Particulars	As at 31.03.2021	As at 31.03.2020
<u>Less than 1 Year</u>		
Borrowings	10,67,29,028	23,81,41,577
Trade Payables	4,25,40,223	10,53,93,030
Other Financial Liabilities	93,72,821	81,83,356
	<u>15,86,42,072</u>	<u>35,17,17,963</u>
<u>More than 1 Year</u>		
Borrowings	21,37,12,433	17,18,27,860
	<u>21,37,12,433</u>	<u>17,18,27,860</u>

NOTE 43: Covid 19

The outbreak Corona Virus (COVID 19) has severely impacted businesses around the globe. In many countries, including India, there has been severe disruption to regular business operations due to lockdowns & other emergency measures causing significant disturbance & slowdown of economic activities. The Company has made assessment of its operations (turnover, profitability, liquidity), assets (plant & equipments, inventories, receivables, other current assets) position, ability to pay its liabilities as they become due, effectiveness of internal financial controls, etc. and has concluded that there are no material impact or adjustments required in the financial statements as on date. Management believes that it has taken into account all the possible impact of known events (based on internal sources & market intelligence) and possible future uncertainties in the economic conditions (to arrive at its estimates) till the date of approval of its financial statements arising from COVID 19 pandemic in the preparation of the financial statements. However, the full extent to which the pandemic will impact future financial results of the Company cannot be reasonably ascertained.

The Company is in the business of manufacturing of Technical Textiles, primarily for pulp & paper industries/other filtration uses, which are connected with activities that are fundamental to economy. The demand for the Company's products is expected to be lower in the short term, though the same is not likely to have a continuing impact on the future business of the Company. Management is of the view that considering the nature of its business operations, existing customer & supplier relationships, its market position, etc. impact on its business operations, if any, arising from COVID 19 pandemic is expected to be low. However the impact of COVID 19 pandemic including the current wave, may be different from that estimated as at the date of approval of these financial statements. The Company continues to monitor the impact of COVID-19 on its business, customers, vendors and employees, etc.

NOTE 44: The Government of India has approved the Labour Codes which may impact the employees benefits and statutory contributions by the Company. The Ministry has released draft rules. The final rules are yet to be notified. The Company will assess the impact of the same, when it comes into effect and will give appropriate impact in its financial statements, if any.

NOTE 45: Approval of Financial Statements

The Financial statements were approved by the Board of Directors on 31st May, 2021

NOTE 46: Previous years figures have been rearranged and regrouped wherever applicable and considered necessary

NOTE 47: Figures in brackets represent figures for the previous year.

As per our Report of even date

for JAIN SHRIMAL & CO. Chartered Accountants Firm Reg. No. 001704C Narendra Shrimal Partner	Jaspreet Singh Dhir Company Secretary	Rajesh Patni CFO	M. Khaitan Managing Director (DIN: 00459612)	K.K. Khaitan Chairman cum Managing Director (DIN: 00514864)
JAIPUR The 31st day of May, 2021	M. No. 070902			