



***wires & fabriks***

---

**Wires and Fabriks (S.A.) Limited**

**ANNUAL REPORT**

**2018 - 2019**

<b>CONTENTS</b>	<b>Page</b>
Introduction	3
Directors' Report	4
Secretarial Audit Report	9
Report on Corporate Governance	11
Management Discussions & Analysis Report	18
Independent Auditors' Report	20
Balance Sheet	26
Profit & Loss Statement	27
Cash Flow Statement	28
Statement of Changes in Equity	29
Notes	30

#### **Directors**

Mohan Lal Bhagat

Saroj Khemka

Satish Ajmera

Subrata Kumar Atindra Mitra

Pranika Khaitan Rawat

Devesh Khaitan, *Executive Director*

Mahendra Khaitan, *Managing Director*

Kishan Kumar Khaitan, *Chairman cum Managing Director*

#### **Secretary**

Abhishek Upadhyaya

#### **Auditors**

S. K. Agrawal & Co.

#### **OUR PRODUCT RANGE**

- Paper Machine Clothing
- Paper Making Chemicals

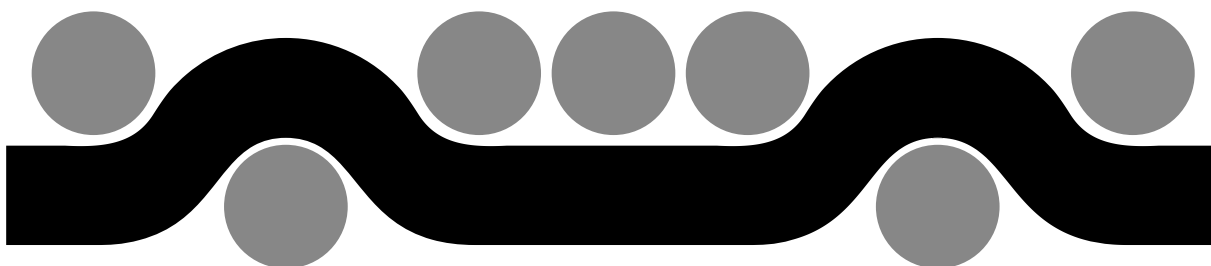
#### **Registered Office**

7, Chittaranjan Avenue, Kolkata 700072

[www.wirefabrik.com](http://www.wirefabrik.com)

[cs@wirefabrik.com](mailto:cs@wirefabrik.com)

+91 33 40124012



*In 1963, at Jaipur, with German Machinery and 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. After further additions in capacity and products, 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 now includes Dryer Screens, Pulp Fabrics and Technical Fabrics.*

*Today, Wires & Fabriks is the market leader in India and 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. In the Paper Making Chemicals, the Company has a tie-up with some of the best overseas Paper Making Chemical manufacturers.*

*The Company was awarded accreditation under ISO 9002 system in 1994 which has been upgraded from time to time with the latest being upgraded to 9001:2015 in 2016. 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 and 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.*

## DIRECTORS' REPORT

### For the Year 2018-19

#### Dear Members,

The Directors of the Company have pleasure in presenting the 62nd Annual Report and Audited Financial Statements of the Company for the year ended 31st March, 2019.

#### FINANCIAL RESULTS

The financial results, in brief, for the year ended 31st March, 2019 are as under:

	(Rs. in Lacs)	
	<u>31.03.2019</u>	<u>31.03.2018</u>
Total Income (net of excise duty)	10591.03	10295.96
Profit After Tax	127.12	83.94
Retained Earnings	3104.20	2999.19

#### DIVIDEND

Your Directors have recommended to the Members a dividend of Rs. 0.60 per share (previous year Rs. 0.60 per share) amounting to Rs. 22.11 Lacs, including dividend tax thereon for the financial year ended 31st March, 2019.

#### OPERATIONS & FUTURE OUTLOOK

During the year under review, the performance of your Company has improved in terms of sales as well as the profits. The Company closed the Financial Year with increase in turnover, and a good increase in profitability over the previous year due to benefits accrued from modernization project completed in 2015-16, resulting in minimization of costs. Further plan for expansion cum modernization is underway which is expected to be completed in 2020-21.

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 continue to 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

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

## AUDITORS

M/s S. K. Agrawal & Co., Chartered Accountants, (Firm Regn No. 306033E) Auditors of the Company were appointed for the term of five years, from the conclusion of 61st Annual General Meeting till the conclusion of 66th Annual General Meeting of the Company. There are no qualifications, reservations, adverse remarks or disclaimer in the Statutory Audit Report 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, 2019. In terms of provisions of the Companies Act, on recommendation of the Audit Committee, the Board at its meeting held on 30th May 2018 had appointed Mr. Mayank Daga, Practicing Company Secretary (Certificate of Practice No. 16509) as the Secretarial Auditor for the financial year ending 31st March 2019. The Secretarial Auditors' Report for the financial year ending 31st March 2019 is annexed herewith. There are no qualifications, reservations, adverse remarks or disclaimer in the Secretarial Audit Report.

## INFORMATION'S

Information's / statements as per the applicable provisions of the Companies Act & 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, Banks, 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.

Jaipur  
28th May, 2019

**For and on behalf of the Board**  
**K.K. Khaitan**  
**Chairman cum Managing Director**  
 DIN: 00514864

**M. Khaitan**  
**Managing Director**  
 DIN: 00459612

## ANNEXURE TO THE DIRECTORS' REPORT

### INFORMATIONS

- The details forming part of the extract of the Annual Return in prescribed form MGT 9 may be referred to, at the Company's official website at <http://www.wirefabrik.com/shareholder/AnnualReturn.pdf>.
- The details of the Board Meetings held during the Financial Year 2018-19 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. It is hereby confirmed that:
  - ◆ in the preparation of the annual accounts, the applicable accounting standards had been followed;
  - ◆ 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;
  - ◆ 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;
  - ◆ the directors had prepared the annual accounts on a going concern basis;
  - ◆ 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
  - ◆ 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.
- 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' appointment and their remuneration, by the Nomination and Remuneration Committee and approved by the Board of Directors at its meeting held on 27th June 2014. The same was last reviewed and approved by the Board in its Meeting held on 30th May, 2018.

The said policy may be referred to, at the Company's

official 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 traveling 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 approved by the Board of Directors in its meeting held on 13th August 2014 for determining the materiality of transactions with related parties and dealings with them. The same was last reviewed and approved by the Board in its Meeting held on 30th May, 2018.
- The said policy may be referred to, at the Company's official 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 approved and adopted a CSR Policy at its Board Meeting held on 5th February 2015 which inter-alia states the constitution of the CSR Committee and CSR activities to be taken up by the Company. The same was last reviewed and approved by the Board in its Meeting held on 30th May, 2018. For the financial year 2018-19, the CSR Committee had been re-constituted by the Board of Directors of the Company at its meeting held on 3rd February, 2018 and the constitution of the Committee is as follows:

Sl. Nr.	Name	Category	Designation in Committee
1.	Mr. Mahendra Khaitan	Managing Director	Chairman
2.	Mr. Devesh Khaitan	Executive Director	Member
3.	Mr. S. K. Mitra	Independent Director	Member

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

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 2018-19 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 30th May 2018 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 27th June 2014 established the criteria and recommended the same to the Board, for their evaluation purpose. Based on this the Board at its meeting held on 30th May, 2018 critically adjudged the performance of the Independent Directors, in absence of the particular Director being evaluated.

- The Company does not have any Subsidiary/Associate/ Joint Venture Company as on 31st March 2019.
- The Company has not accepted any kind of Deposits from the Public during the F-Y 2018-19. As on 31st March 2019, 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.

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 official 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 approved by the Board of Directors at its meeting held on 17th May 2014 as per the provisions of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The same was last reviewed and approved by the Board in its Meeting held on 30th May, 2018. 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, 2019 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, 2019 have been furnished in extract of the Annual Return as annexed.
- The Company has transferred a total sum of Rs. 168,874 during the financial year 2018-19 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, color 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.

Mr. D. D. Trivedi, aged about 87 years, an Independent Director of the Company, tendered his resignation due to his advanced age, vide letter dated 4th April, 2019.

Jaipur  
28th May, 2019

<b>For and on behalf of the Board</b>	
<b>K.K. Khaitan</b>	<b>M. Khaitan</b>
<b>Chairman cum Managing Director</b>	<b>Managing Director</b>
DIN: 00514864	DIN: 00459612



**wires & fabriks**

## **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 2019.

#### **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 imported by the Company during last three years.

##### **4. Expenditure Incurred on Research and Development**

(Rs. In Lacs)

(a) Capital	:	2.90
(b) Revenue	:	272.93
(c) Total	:	275.83
(d) Total R & D Expenditure (as a % of total turnover)	:	2.61%

#### **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	:	2414.16
Foreign Exchange used	:	2860.33

Jaipur  
28th May, 2019

**For and on behalf of the Board**  
**K.K. Khaitan**  
**Chairman cum Managing Director**  
DIN: 00514864

**M. Khaitan**  
**Managing Director**  
DIN: 00459612



## **ANNEXURE TO THE DIRECTORS' REPORT - SECRETARIAL AUDIT REPORT**

### **Secretarial Audit Report**

**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019**

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

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

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 2019, 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 2019 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;



## **wires & fabriks**

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. No changes in the composition of the Board of Directors took place during the period under review.

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.

**Mayank Daga**

Company Secretary in Practice

Membership No. ACS 41279

CP. No. 16509

Place: Kolkata

Date: 28th May, 2019

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

### **“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.

**Mayank Daga**

Company Secretary in Practice

Membership No. ACS 41279

CP. No. 16509

Place: Kolkata

Date: 28th May, 2019