



D. P. Wires Limited

(CIN - L27100MP1998PLC02953)

Regd. Off. & Factory: 16-18 A, Industrial Estate, Ratlam-457 001. (M.P.) INDIA

August 06th, 2020

To,
The Listing Department,
The National Stock Exchange of India Limited Emerge,
Exchange Plaza, Bandra Kurla Complex,
Bandra (East),
Mumbai -400051

Dear Sir/Madam,

Sub:- Clarification on Limited Review Report/ Independent Auditor's Report

REF. : ISIN – INE864X01013; Scrip Code –DPWIRES

Query

Limited Review Report/ Independent Auditor's Report is not in the format prescribed by SEBI
(UDIN not mentioned in Auditors Report)

Reply:- The UDIN number is added with Auditors report (20078057AAAAAQ9894)

Kindly take the above, for your Information and record.

Thanking You,

For DP WIRES Limited
D.P. Wires Limited


~~Authorised Signatory/Director~~
CS Krutika Maheshwari
Company Secatary &
Comliance Officer

An IS/ISO 9001:2015 Company

Ph.: 07412-260554, 261130, 260646, 261151, 261140

Email: info@dpkataria.com, arvind.dpwpl@gmail.com, Website: dpwires.co.in



INDEPENDENT AUDITORS' REPORT

**To,
The Members,
D P WIRES LIMITED**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **D P WIRES LIMITED** ("the Company"), which comprises the Balance Sheet as at March 31st, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the 'financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 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 31st, 2020, and its Profit and Other Comprehensive Income, Changes in Equity and its Cash Flows 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 Companies Act, 2013. Our responsibilities under those SAs 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 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 the 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

Description of Key Audit Matters		
S.No.	Key Audit Matters	How was the matter addressed in our audit
1	Uncertain tax positions - Indirect Taxes	
	The Company has uncertain tax matters pending litigations under various indirect tax laws. The litigation involves significant judgement to determine the possible outcome based on which accounting treatment is given to the disputed amount. Given the magnitude of potential outflow of economic resources and uncertainty of potential outcome, uncertain tax positions are considered to be key audit matters. [Refer Note 36 to the financial statements.]	Our audit procedures included, among others, the following: • Obtained details of uncertain tax position and gained understanding thereof; • Obtained details of tax assessments and also demands raised; • Along with our internal tax experts, read and analysed relevant communication with the authorities; • Evaluated advice obtained by the management from legal consultants on possible outcome of the litigation; • Discussed with senior management and evaluated management's assumptions regarding provisions made or reflected as contingent liabilities; • Assessed whether the disclosures for uncertain tax positions are in accordance with the requirements of Ind AS 37 on "Provisions, Contingent Liabilities and Contingent Assets".

2	Adoption of Ind AS 116 Leases
	As described in Note 37 to the financial statements, the Company has adopted Ind AS 116 Leases in the current year. The application and transition to this accounting standard is complex and is an area of focus in our audit. Ind AS 116 introduces a new lease accounting model, wherein lessees are required to recognise a right-of-use (ROU) asset and a lease liability arising from a lease on the balance sheet. The lease liabilities are initially measured by discounting future lease payments during the lease term as per the contract/ arrangement. Adoption of the standard involves significant judgements and estimates including, determination of the discount rates and the lease term. Additionally, the standard mandates detailed disclosures in respect of transition. [Refer Note 37 to the financial statements.] Our audit procedures on adoption of Ind AS 116 include: • Assessed and tested new processes and controls in respect of the lease accounting standard (Ind AS 116); • Assessed the Company's evaluation on the identification of leases based on the contractual agreements and our knowledge of the business; • Involved our specialists to evaluate the reasonableness of the discount rates applied in determining the lease liabilities; • Upon transition as at 1 April 2018 (Date of Transition to Ind AS): ➤ Evaluated the method of transition and related adjustments; ➤ Tested completeness of the lease data by reconciling the Company's operating lease commitments to data used in computing ROU asset and the lease liabilities. • We performed the following procedures: ➤ assessed the key terms and conditions of the lease with the underlying lease contract; and ➤ evaluated computation of lease liability and challenged the key estimates such as, discount rates and the lease term. • Assessed and tested the presentation and disclosures relating to Ind AS 116 including, disclosures relating to transition.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Financial Statements and our Auditors' 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- 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 Company's ability 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 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.

M/s. Anil Kamal Garg & Company

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 paragraph 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 purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it 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 Statement of Cash Flows dealt with by this Report are in agreement with the books of account;

M/s. Anil Kamal Garg & Company

- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on March 31st, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2020, 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”; and
- (g) With respect to the other matters to be included in the Auditors’ Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note-36 to the financial statements.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Anil Kamal Garg & Company

Chartered Accountants

ICAI Firm Registration No. : 004186C

Place : Indore

Dated : July 20th, 2020

Sd/-

Devendra Bansal

Partner

Membership No. : 078057

ANNEXURE–A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 1 under '*Report on Other Legal and Regulatory Requirements*' section of the Independent Auditors' Report of even date to the members of **D P WIRES LIMITED** on the financial statements as of and for the year ended March 31st, 2020, we report that:

- (i)(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
- (b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification.
- (c) According to the information and explanations given to us by the management and on the basis of our examination of the records of the Company, the title deeds of immovable properties recorded in the books of accounts of the Company are held in the name of the Company. In respect of Immovable Property taken on lease and recognized as Right-of-use Assets in the financial statements, the lease agreement is in the name of the company.
- (ii) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of such verification is reasonable and adequate in relation to the size of the Company and the nature of its business. The discrepancies noticed on physical verification of inventory as compared to books and records were not material and have been appropriately dealt with in the books of accounts.
- (iii) In respect of the granting of loans by the Company:
 - (a) The Company has granted unsecured loan to only one person covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion, prima facie, the terms and conditions of such loan are not prejudicial to the Company's interest.
 - (b) The loan has been granted without stipulating any schedule of repayment of principal and interest. As the loan is repayable on demand along with interest, the question as to regularity of the repayment or interest receipts does not arise.
 - (c) There being no stipulated schedule of repayment and the Company having not demanded the repayment of loan, the loan so granted has not become overdue.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of grant of loans, making investments, and providing guarantees and securities, as applicable.

M/s. Anil Kamal Garg & Company

- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed there under.
- (vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act, in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, duty of customs, goods and services taxes, cess and other material statutory dues applicable to it, with the appropriate authorities.

According to the information and explanations given to us, no undisputed amount payable in respect of aforesaid dues were in arrears as on March 31st, 2020 for a period more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax, duty of customs, goods and services tax, cess which have not been deposited with the appropriate authorities on account of any dispute. *However, according to information and explanations given to us the following dues of value added tax, central sales tax and entry tax have not been deposited as on 31st March, 2020 by the Company on account of disputes :*

<i>[Rs. in Lakhs]</i>						
Sr. No.	Name of the Statute	Nature of Dues	Forum where dispute is pending	Period for which the Amount Relates	Amount Involved	Amount not Deposited as at March 31 st , 2020
1	MP VAT Act, 2002	Value Added Tax	M.P.C.T Appellate Board, Bhopal	2006-07	25.46	19.10
2	MP VAT Act, 2002	Value Added Tax	M.P.C.T Appellate Board, Bhopal	2015-16	6.29	4.72
3	MP VAT Act, 2002	Value Added Tax	M.P.C.T Appellate Board, Bhopal	2016-17	11.81	8.86
		Total (A)			43.56	32.68

M/s. Anil Kamal Garg & Company

Sr. No.	Name of the Statute	Nature of Dues	Forum where dispute is pending	Period for which the Amount Relates	Amount Involved	Amount not Deposited As at March 31 st , 2020
4	Central Sales Tax Act, 1956	Central Sales Tax	M.P.C.T Appellate Board, Bhopal	2008-09	17.52	1.02
5	Central Sales Tax Act, 1956	Central Sales Tax	M.P.C.T Appellate Board	2009-10	9.20	5.40
6	Central Sales Tax Act, 1956	Central Sales Tax	M.P.C.T Appellate Board, Bhopal	2010-11	17.15	12.87
7	Central Sales Tax Act, 1956	Central Sales Tax	Appellate Authority, Indore	2011-12	26.32	19.74
8	Central Sales Tax Act, 1956	Central Sales Tax	---- do ----	2012-13	18.21	13.66
9	Central Sales Tax Act, 1956	Central Sales Tax	---- do ----	2013-14	6.69	5.35
10	Central Sales Tax Act, 1956	Central Sales Tax	---- do ----	2014-15	44.51	33.39
11	Central Sales Tax Act, 1956	Central Sales Tax	---- do ----	2015-16	76.98	57.73
12	Central Sales Tax Act, 1956	Central Sales Tax	---- do ----	2016-17	109.02	81.76
13		Total (B)			325.60	230.92
14	Entry Tax Act, 1976	Entry-Tax	Appellate Authority, Indore	2014-15	5.76	4.32
16		Total (C)			5.76	4.32
		Grand Total (A+B+C)			374.92	267.92

M/s. Anil Kamal Garg & Company

- (viii) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowing to any financial institution or bank. There is no borrowing from the Government and there are no debenture holders.
- (ix) In our opinion and according to the information and explanations given to us, the Company had not raised money by way of initial public offer or further public offer (including debt instruments) during the year and the term loans taken by the Company have been applied for the purpose for which they were raised.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the Management.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with section 177 and 188 of the Act and the details, as required by the applicable accounting standards have been disclosed in the financial statements.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

M/s. Anil Kamal Garg & Company

(xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Anil Kamal Garg & Company**

Chartered Accountants

ICAI Firm Registration No. : 004186C

Place : Indore

Dated : July 20th, 2020

Sd/-

Devendra Bansal

Partner

Membership No. : 078057

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”)

Referred to in Paragraph 2(f) under ‘*Report on Other Legal and Regulatory Requirements*’ section of the Independent Auditors’ Report of even date to the members of **D P WIRES LIMITED** on the financial statements as of and for the year ended March 31st, 2020, we report that:

We have audited the internal financial controls over financial reporting of **D P WIRES LIMITED** (“the Company”) as of 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 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 31st March, 2020, 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 Anil Kamal Garg & Company

Chartered Accountants

ICAI Firm Registration No. : 004186C

Place : Indore

Dated : July 20th, 2020

Sd/-

Devendra Bansal

Partner

Membership No. : 078057

UDIN NUMBER
20078057AAAAAQ9894