

## WPIL Limited

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### **DIRECTORS**

P. AGARWAL  
— *Managing Director*

K. K. GANERIWALA  
— *Executive Director*

V. N. AGARWAL  
SAMARENDRA NATH ROY

SHYAMAL MITRA  
BINAYA KAPOOR

### **AUDITORS**

V. SINGHI & ASSOCIATES  
*Chartered Accountants*

### **GENERAL MANAGER (Finance) AND COMPANY SECRETARY**

U. CHAKRAVARTY

### **BANKERS**

STATE BANK OF BIKANER AND JAIPUR

STATE BANK OF INDIA

IDBI BANK LIMITED

YES BANK LIMITED

CENTRAL BANK OF INDIA

ALLAHABAD BANK

CITI BANK NA

AXIS BANK

### **REGISTRAR**

MCS SHARE TRANSFER AGENT LIMITED  
12/1/5, MANOHARPUKUR ROAD, GROUND FLOOR,  
KOLKATA-700026

PHONE NO. : (033) 4072-4051-53

FAX NO. : (033) 4072-4050

E-MAIL : mcssta@rediffmail.com

### **REGISTERED OFFICE**

TRINITY PLAZA, 3RD FLOOR  
84/1A, TOPSIA ROAD (SOUTH)  
KOLKATA-700 046

### **EASTERN REGION OFFICE**

6, OLD POST OFFICE STREET  
KOLKATA-700 001

### **WESTERN REGION OFFICE**

10 & 11, BHAGTANI ENCLAVE  
SONAPUR LANE  
OFF. L. B. S. MARG  
BHANDUP WEST  
MUMBAI- 400 078

### **SOUTHERN REGION OFFICE**

1B, 1ST FLOOR, MANDIRA APARTMENT  
23-A, DR. B. N. ROAD  
T. NAGAR  
CHENNAI- 600 017

CHAMBER 4, 1ST FLOOR  
Opp. LB. STADIUM  
K. L. K. ESTATE  
5-9-62, FATEH MAIDAN ROAD  
HYDERABAD-500 001

### **NORTHERN REGION OFFICE**

A-5, SECTOR 22, MEERUT ROAD  
GHAZIABAD-201 003 (U.P.)

### **MANUFACTURING FACILITIES**

- i) 22, FERRY FUND ROAD, PANIHATI, SODEPUR  
KOLKATA-700 114 (W.B.)
- ii) A-5, SECTOR 22, MEERUT ROAD  
GHAZIABAD-201 003 (U.P.)
- iii) 180/176, UPEN BANERJEE ROAD  
KOLKATA-700 060
- iv) BIREN ROY ROAD (WEST)  
GANIPUR, MAHESHTALA  
24 PARGANAS (SOUTH)  
PIN-743 352

# WPIL

## WPIL Limited

### NOTICE OF THE ANNUAL GENERAL MEETING TO THE MEMBERS

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**NOTICE** is hereby given that the **FIFTY NINTH ANNUAL GENERAL MEETING** of the members of the Company will be held at “Kala Kunj” (Basement) Hall, Kalamandir, 48, Shakespeare Sarani, Kolkata-700017 on Thursday, the 25th day of July, 2013 at 10.00 A.M. to transact the following business:

#### **ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013, the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To declare Dividend.
3. To appoint a Director in place of Mr. V.N.Agarwal who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Binaya Kapoor who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
5. To re-appoint M/s.V.Singhi & Associates, Chartered Accountants, as the Auditors of the Company, who retire at the conclusion of this Annual General Meeting, to hold office till the conclusion of the next Annual General Meeting with authority to the Board of Directors of the Company to fix their remuneration.

#### **SPECIAL BUSINESS :**

6. To consider and, if thought fit, to pass with or without modification(s) the following resolutions as Special Resolution.

**“RESOLVED THAT** pursuant to provisions of Sections 198, 309 and all other applicable provisions, if any, of the Companies Act, 1956, the Company hereby accords its consent and approval to pay remuneration to the Non-Executive Directors of the company by the way of commission not exceeding 1% of the Net Profit of the Company in lieu of their services to the Company and that Board of Directors of the Company (hereinafter referred to as ‘the Board’ which term shall be deemed to include any committee which the Board may constitute to exercise its powers including powers conferred by this resolution) shall in their absolute discretion, decide the extent to which such remuneration is payable to each of the Non-Executive Directors based on their individual services to the Company within the ceiling limit of 1% of the net profit of the Company.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate its powers conferred by this resolution to any Director or Directors or Remuneration Committee of Directors to determine the extent to which such remuneration is payable to each of the Non-Executive Directors based on their individual services to the Company.”

Registered Office :  
Trinity Plaza, 3rd Floor  
84/1A, Topsia Road (South)  
Kolkata-700 046

Date : 13th May, 2013  
Place : Kolkata

By Order of the Board

U. CHAKRAVARTY  
General Manager (Finance)  
and Company Secretary

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**NOTES :**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company. The proxy in order to be effective must reach the Registered Office of the Company at least 48 hours before the time fixed for the meeting.
2. The Dividend, if approved at the forthcoming Annual General Meeting, will be paid to those shareholders, whose name are registered at the close of business on 25th July, 2013 or to their mandates subject however to the provisions of Section 206A of the Companies Act, 1956.
3. The Register of Members and Share Transfer Books will remain closed from Monday, 15th July, 2013 to Thursday, 25th July, 2013 (both days inclusive) for payment of dividend to Equity Shares. In respect of shares held in electronic form, dividend will be paid on the basis of beneficial ownership as per details furnished by depositories for this purpose.
4. Mr. U. Chakravarty, General Manager (Finance) and Company Secretary is the Compliance officer in terms of Clause 12B of the Listing Agreement with the Stock Exchanges. Members may communicate with the Compliance Officer in relation to any query pertaining to their shareholdings.
5. As per the provisions of the Companies Act, 1956, the facility for making nominations is available to Members in respect of their shares in the Company. Nomination forms can be obtained from MCS Share Transfer Agent Limited, Registrar and Share Transfer Agent of the Company, in case they hold shares in physical form. If they hold the shares in dematerialized form, they may contact their respective depositories for such nomination.
6. Members who hold the shares in physical form are requested to inform the R&T Agents, their Income Tax permanent Account Number (PAN)/General Index Register Number (GIR) if any, allotted to them by the Income Tax authorities.
7. Members holding shares in physical form are requested to notify change in addresses, if any, quoting their folio numbers to the R&T Agent of the Company.
8. Members holding shares in multiple folios are requested to submit their application to R&T Agent for consolidation of folios into single folio.
9. Members holding shares in physical form are requested to note that in order to avoid any loss/interception in postal transit and also to get prompt credit of dividend through Electronic Clearing Services (ECS) they should submit their ECS details. Alternatively, members may provide details of their bank account quoting their folio numbers to the R& T Agent to enable them to print such details on the dividend warrants.
10. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be printed on the dividend warrants as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such members for change/deletion in such bank details. Further instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to the dividend paid on shares held in electronic form. Members therefore give instructions regarding bank accounts in which they wish to receive dividend, to their Depository participants.

**Request to the Members:**

1. Members desiring any relevant information on the Accounts at the Annual General Meeting are requested to write to the Company at least seven days in advance, so as to enable the company to keep the information ready.
2. Members are requested to quote their Ledger Folio No. or Client ID and DP ID numbers in all communications with the Company.
3. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of Annual Report to the Meeting.
4. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for ensuring easy identification of attendance at the Meeting.
5. For convenience of the Members, attendance slip is annexed to the proxy form. Members are requested to fill in and affix their signatures at the space provided therein and handover the Attendance slip at the entrance of the place of meeting. Proxy/ Representative of a member should mark on the Attendance slip as "Proxy" or "Representative" as the case may be.

**Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956.**

**RESOLUTION AT ITEM NO. 6**

The Non-Executive Directors of the Company are required to render services to the Company from time to time, which are beneficial to the performance of the Company. With the growth of activities of the company, it is important for the Company to utilize the expertise of the Non-Executive Directors as and when required. It is therefore proposed to pay remuneration to the Non-Executive Directors, in lieu of their services to the Company, by the way of commission not exceeding 1% of the net profit of the Company.

The Directors commend the Special Resolution for the approval of the members.

All the Directors except Mr. Prakash Agarwal and Mr. K.K. Ganeriwala are interested or concerned in the said Resolution.

Registered Office :  
Trinity Plaza, 3rd Floor  
84/1A, Topsia Road (South)  
Kolkata-700 046

Date : 13th May, 2013  
Place : Kolkata

By Order of the Board

U. CHAKRAVARTY  
General Manager (Finance)  
and Company Secretary

**Details of Directors seeking appointment/ re-appointment at the Annual General Meeting in pursuance of Clause 49VI(A)(G) of the listing Agreement:**

<b>Name of the Director</b>	<b>Mr. V. N. Agarwal</b>	<b>Mr. Binaya Kapoor</b>
Date of Birth	15.01.1939	05. 07. 1935
Date of First Appointment	26. 04. 2001	21. 07. 2006
Qualifications	B.E.	B. Tech. (Hons)
No. of Shares Held	NIL	NIL
Nature of Expertise	Having in depth exposure to and involvement in steering diverse business and has considerable experience and expertise in management of engineering Industries.	Having vast experience in Corporate Management and administration with expertise in the field of engineering and product line of the Company.
Other Directorships	Tea time Limited Neptune Exports Limited Orient international Limited Asutosh Enterprises Limited V.N.Enterprises Limited HSM Investments Limited Sagarpriya Distributors Pvt. Limited Hindusthan Udyog Limited Bengal Steel Industries Limited Spaans Babcock India Limited Northern Projects Limited Hindusthan Parsons Limited. Mody Industries (FC) Pvt. Ltd. WPIL International Pte. Limited (Singapore)	Hindusthan Udyog Limited. Spaans Babcock India Limited

# WPIL

## DIRECTORS' REPORT TO THE MEMBERS

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The Directors of the Company have the pleasure in presenting their 59th Annual Report on the business and operations of the Company for the financial year ended 31st March 2013.

### FINANCIAL HIGHLIGHTS (STANDALONE)

	<b>2012-13</b> <b>(Rs. in Lacs)</b>	<b>2011-12</b> <b>(Rs. in Lacs)</b>
Total Income	<b>26946.00</b>	30302.63
Profit before interest, Depreciation and Taxation	<b>3901.26</b>	3949.95
Interest	<b>977.64</b>	788.66
Depreciation	<b>204.56</b>	197.49
Profit before Taxation	<b>2719.06</b>	2963.80
Provision for Taxation	<b>844.06</b>	979.06
Profit after Taxation	<b>1875.00</b>	1984.74
Balance brought from previous year	<b>2396.86</b>	2097.31
Profit available for appropriation	<b>4271.86</b>	4082.05
Transfer to General Reserve	<b>1562.85</b>	1500.00
Proposed Dividend with Tax on Dividend	<b>186.42</b>	185.19
Balance available in surplus account in Balance sheet	<b>2522.59</b>	2396.86

### OPERATIONS

The operational activities of the Company continues to be consistent and balanced during the year under review amidst slow economic activities and down trend of domestic business environment. The turnover registered marginal drop compared to last year due to conscientious monitoring and withholding of dispatch to certain customers for delay in execution and clearing dues following liquidity tightness. The major focus is to build up new business domestically and internationally and thereby increase inherent strength within the sphere of its traditional area of business in manufacturing pumps and spares and providing pumping system to its domain markets of power, irrigation, municipal and Industries. The recent acquisition of Mody Pumps will allow the Company to have an access in the field of dewatering sewage submersible which will further strengthen its product offering in the market place. With its ever increasing capabilities, including strong track record, cutting-edge technologies, world class partner and tremendous domain expertise, the Company is very well positioned today to manufacture and offer large pumps with superior technologies that meets the global standard. Further with the acquisition of technology from globally reputed Company, strong order book, and increased availability of infrastructural resources, the Company stands committed to lay emphasis to enhance its market shares and further strengthen its offerings on conscious monitoring on both quality and cost front.

The decline in profit over the last year is primarily attributable to the drop in turnover due to deterioration of domestic business environment for capital goods combined with credit crisis which necessitated imposition of restriction on supplies and increase in other items of cost.

### DIVIDEND

After considering the performance for the year, cash flow, erosion of General Reserve for the performance of the past and necessity to augment its working capital to sustain the growth of activities in the coming year, the Directors of the Company are pleased to recommend dividend of two rupees per share for the year ended 31st March 2013.

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The Dividend, if approved at the forthcoming Annual General Meeting, will be paid to those shareholders whose names are registered at the close of the business on 25th July 2013 or to their mandates subject however, to the provisions of Section 206A of the Companies Act, 1956.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

As required by the Clause 49 of the Listing Agreement with Stock Exchanges, the Management discussion and analysis report during the year under review is appended below:-

### **A. BUSINESS**

The Company is engaged in the business of water handling – from supply of pumps to turnkey project execution. This includes supply of pumps of various types to the power sector/ irrigation sector / water supply sector and industrial sector. Besides this, the Company provides turnkey execution for water handling projects in all the above sectors by leveraging its tremendous engineering capability and vast experience in the above fields.

### **B. BUSINESS ENVIRONMENT**

Year 2012-13 was another difficult year wherein the business environment globally deteriorated even further and in India the effect has been even more pronounced. The Indian GDP growth rate is now below 5% and there is great pressure on the Indian economy because of this lack of growth, depreciating currency and uncontrolled inflation. Due to the above scenario interest rates remain high and there is uncertainty in the business climate as a result of which we find that Industrial investments have nearly stopped. The power sector continues to struggle with its fuel supply issues and a large number of projects lie closed at various stages of completion. Similarly, with the falling GDP, Government projects in both Municipal and Irrigation sectors have been slow. In this uncertain environment the Company re-focused its business to focus on exports and judiciously approached domestic sales to protect margin and recover dues. The Company's strength and product superiority allowed it to wither the situation and achieve good results with a marginal fall in revenue and profit. Further, the focus on its International business yielded good results and allowed the Company to achieve sales of Rs.534 Crores on a consolidated basis. The Company aims to continue its focus on export and development of its International business to protect it from the vagaries of the domestic market.

### **C. OPERATIONAL REVIEW**

Performance of the Company was balanced across all divisions with good growth in exports. The order book remained robust and balanced across all product segments and further the Company intends to evenly spread its sales across the business segments of power, irrigation, municipal, industry etc., to de-risk the business. Some of the notable achievements have been successful commissioning of WPIL 's first concrete volute pumps at NTPC Barh, successful commissioning of WPIL CW pumps at Reliance Sasan Project (6 x 660 MW) (one of the largest pumps in India), successful commissioning of Avanta project's complete CW system including pumphouse, pipelines, and successful commissioning of MPGCL Satpura project's complete CW system. These achievements are bound to keep the Company in good stead in the future.

#### **Engineered Pump Division**

This division achieved good success with the commissioning of the above mentioned large projects creating good future opportunities for growth. The division continues to have a strong order book and good revenue visibility going forward. Further, the new facility at Nagpur is in advance stage of completion. The pump manufacturing facility will be commissioned by September, 2013 and work has started on a large test facility. The completion of this facility would further supplement the manufacturing capability of the division allowing it to continue its growth.

#### **Standard Pump Division**

This division again achieved huge growth in revenue while dispatching large number of critical pump supplies for various

power plants and offshore applications. The division continues to enhance its capabilities and is slowly beginning to dominate the market in its product range. The order book remains strong allowing consistent growth in revenue and profit. The foundry modification at the division has been complete with the addition of new furnaces which will allow reduction in pollution level by 80% whilst drastically improving quality standards.

### **Infrastructure Division**

The focus of the division was to complete and commission the projects in hand and this was successfully executed as a large number of projects were completed and handed over. Most of the other projects are commissioned and in the process of handing over. This focus on project completion will allow the division to recover its retention money and provide customer satisfaction while building credibility in the industry. It has indeed been an achievement to complete and deliver a plethora of water handling projects across the sectors. This has built up good competencies in various areas.

The major achievement for the division was the booking of large water handling project at Malawi along with its international subsidiary and a major lift irrigation project in Andhra Pradesh. These orders along with others provide revenue visibility going forward and are in line with the continued focus of doing large projects at fewer sites. The outlook for the division remains very positive.

### **WPIL International**

The focus on the International business of the Company has proved successful with the growth in business and enhancement of opportunities across the globe. The various subsidiaries continue to do well and in line with expectations. The major acquisition in the financial year was WPIL South Africa and its business of APE Pumps, Mather & Platt and PSV Zambia. This acquisition allows WPIL to establish strong presence in the African continent which is rapidly growing providing major prospects for the water industry.

The acquisition of the South African business is a major achievement by WPIL as it opens up the opportunities in Africa and Middle East. The business has various divisions which are well positioned in projects, large engineered pumps and standard pumps to supplement WPIL's existing business. APE Pumps, Mather & Platt, South Africa along with its Zambian subsidiary are well established in Africa for more than 50 years, having good acceptance of its products and services across the continent. This acceptability complimented by WPIL's product range and manufacturing capability should make this business a major player in the African pump business.

Mathers Foundry had an average performance in line with the expectations and achieved major cost cutting advantages by setting up AOD furnace. The business is at the forefront in technology as a supplier of high end castings to the nuclear and oil & gas sectors and remains the foundry of choice for its growing clientele. We expect the business to grow well as the market grows.

Sterling pumps had a good financial year and continues to grow its business and expand its presence across Australia and Asia Pacific. The Company is expanding its facility and setting up new test capabilities to cater the business growth. The Company expects its growth to continue in the coming year.

The joint venture of WPIL Thailand is now fully established and has drastically grown its sales in the first 6 months of the year and expects the momentum to continue going forward. The major focus remains the industrial, irrigation and municipal sectors where the Company's products are achieving greater penetration regularly which should result in enhanced market share going forward.

### **Indian Subsidiary**

WPIL acquired Mody Industries (F.C.) Pvt. Ltd., last year to supplement its presence in the sewage and drainage sector. This business based out of Thane is a strong player in the sewage and drainage sector and commands a premium position in the market. Again, WPIL feels that supplementing Mody's products with WPIL product range and



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distribution network should allow the business to become the market leader in its segment. Further this positions WPIL well in this growing market segment.

#### **D. FUTURE OUTLOOK**

The Company being one of the leaders in the pump industry foresees good growth in both domestic and international operations and continues to strengthen its business by diversifying across geographies and product categories to both de-risk and grow business. All divisions are well equipped to deal with their growing order book and provide good quality and delivery of products to continue enhanced market share. The Company feels it has achieved a good balance by developing its international business and the acquisition of Mody. These two areas of the business should enhance margin and profit suitably going forward. WPIL looks to cement its position in the various geographies and market going forward.

#### **E. OPPORTUNITIES AND THREAT, RISK AND CONCERNS**

WPIL has strengthened itself with necessary manufacturing infrastructure and financial health to be a very strong Company in its sector. Its products have a technical edge in the market and are the preferred choice of its customers. Along with this its support services and team of competent, qualified and experienced personnel command great respect in the market place. A combination of such strong qualities should help to maintain its growth in the recent past.

The biggest concern are the volatile raw material prices and impact of surging inflation on the other item of inputs. The increase in commodity prices combined with uncertain availability threaten to affect despatches and profitability.

Further, establishment of international business and acquisition of Mody should enhance the margin, improve opportunities and de-risk the business in turbulent times. The biggest concern presently is the domestic industrial environment alongwith credit worthiness of large clients. These factors have a threatening effect on dispatch and profitability.

#### **F. INTERNAL CONTROL SYSTEM**

The Company has a well-structured Internal Control Mechanism and the same is monitored by the Internal Audit conducted by external professional audit firm, which independently reviews and strengthens the control measures. The internal audit teams regularly briefs the management and the Audit Committee on their findings and also recommend the steps to be taken with regard to deviations if any.

#### **G. HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

The Company lays significant importance for all round developments of its Human Resources with special emphasis to train the employees at all levels to enhance their effectiveness in their contribution to the overall performance of the Company through skill up-gradation, knowledge improvement and attitudinal change. These enable the employees at all levels to cope with the competitive environment through which the Company is passing at present and to achieve the desired corporate objective.

The industrial relations climate in the Company continued to remain harmonious and cordial. The Company has a vibrant atmosphere and able to face challenges of economic downturn with fortitude. Various welfare measures and recreational activities are also being continued side-by side of production to maintain such relations.

The Company had 432 employees on the roll at the end of the year under review as against 430 last year.

#### **CORPORATE GOVERNANCE**

The Company has always followed the principles of good Corporate Government through attaining a highest level of transparency, professionalism, accountability and integrity in its functioning and conduct of business with due respect to laws and regulations of the land.

Necessary measures have been adopted to comply with the requirements of the Listing Agreement with Stock Exchanges wherein the Company's shares are listed. A separate report on Corporate Governance adopted by the Company, which is given in Annexure- B, forms part of this report.

A certificate from the Auditors of the Company regarding the compliance of the conditions of Corporate Governance is attached to this report.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of the requirements of Section 217(2AA) of the Companies Act, 1956, the Directors confirm that;

- (i) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance of the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors have prepared the Annual Accounts on going concern basis; and
- (v) Both, the Managing Director and Executive Director have furnished the necessary certifications to the Board on these financial statements as required under the Clause 49 of the Listing Agreement(s) with the Stock Exchanges where the equity shares of the Company are listed.

## **DIRECTORS**

In accordance with the provisions of the Company's Article of Association Mr. V.N.Agarwal and Mr. Binaya Kapoor retire by rotation and, being eligible, offer themselves for re-appointment.

## **AUDITORS**

Messers. V.Singhi & Associates, Chartered Accountants retire as Statutory Auditors at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Audit Committee of Directors recommended the re-appointment of Messers. V.Singhi & Associates, Chartered Accountants as Statutory Auditors to hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of next Annual General Meeting. Messers. V.Singhi & Associates, Chartered Accountants confirmed their eligibility and willingness to continue to act as Statutory Auditors of the Company for the financial year 2013-14, if re-appointed.

## **COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.**

Information under section 217(1)(e) of the Companies Act, 1956, read with the Companies(Disclosures of particulars in the report of Board of Directors) Rules, 1988 relating to Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo so far as is applicable to the company are furnished in Annexure-A which forms a part of this Report.

## **PARTICULARS OF EMPLOYEES**

The information required under Section 217(2A) of the Companies Acts, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, is not being furnished since there was no employee during the year who was in the receipt of remuneration exceeding the prescribed limit.

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## CODE OF CONDUCT

The Company has formulated Code of Conduct in compliance to the requirements of Clause 49 of the Listing Agreements with Stock Exchanges, This code of conduct applies to Board members and Senior Management personnel of the Company. Confirmations towards adherence to the code during the Financial year 2012-13 have been obtained from all Board members and Senior Management personnel in terms of the requirements of Clause 49 of the Listing Agreement and a declaration relating to compliance to this code during the year under review by all Board members and Senior management personnel has been given by the Managing Director of the Company which accompanies this report.

## DEMATERIALIZATION OF SHARES

The company's shares are under transfer-cum-demat option. Shares of the Company can only be traded in dematerialized form. You have the option to hold the company's shares in demat form through National Securities Depository Limited (NSDL) or Central Depository Services (India) Limited (CDSL). 96.65% of the total equity share capital of the Company was held in dematerialized form with NSDL and CDSL as on 31st March 2013.

## FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company along with those of its subsidiaries and joint Venture Companies prepared as per Accounting Standards AS-21 and AS-27 issued by the Institute of Chartered Accountants of India form a part of the Annual Report. Pursuant to General Circular No. 2/2011 dated 8th February, 2011, the Ministry of Corporate Affairs has provided an exemption from complying with the section 212 of the Companies Act, 1956, provided such Company publishes the audited consolidated financial statements in the Annual Report. Accordingly, Annual Report 2012-13 does not contain financial statements of the subsidiaries.

## COST AUDIT

The Company had appointed M/s. D.Radhakrishnan & Co., Cost Accountants as the Cost Auditors of the Company for the financial year 2011-12 under Section 233(B) of the Companies Act, 1956, to conduct Cost Audit relating to cost records maintained by the Company under section 209(1) (d) of the Companies Act, 1956. The Cost Auditor had filled the Cost Audit Report on 04.01.2013 against due date on 28.02.2013.

## INVESTOR SERVICES

In compliance to the requirements of newly inserted Clause 54 of the Listing Agreement with Stock Exchanges, the Company has dedicated a separate page for Investors Services in its Website [www.wpil.co.in](http://www.wpil.co.in). This page contains prescribed particulars for the information of Investors. The Company keeps on updating these particulars as and when necessary.

## ACKNOWLEDGEMENT

The Directors take this opportunity to express their whole-hearted appreciation for the unstinted support and co-operation received from the Central Government, various State Governments and Government undertakings, Banks, financial Institutions, Customers and Shareholders during the year under review. The Directors also wish to place on record their appreciation for the service rendered by the employees at all levels in the Company and for their valuable contributions towards the performance of the Company.

Place : Kolkata  
Date : 13th May, 2013

P.AGARWAL                      Managing Director  
K.K.GANERIWALA            Executive Director

**PARTICULARS REQUIRED UNDER THE COMPANIES ( DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES 1988.****A) CONSERVATION OF ENERGY**

Following measures were adopted during the year for conservation of energy. The impact of the above measures have the effect of reduction of energy consumption leading to saving of energy cost by Rs. 6,000/- per month.

**AT PANIHATI**

- Re-arrangement of officer's seating arrangement to achieve optimum usage of electrical illumination and air-conditioning appliances.
- Replacement of filament bulbs by CFL lamps,
- Replacement of in-efficient Air-conditioners with efficient Air-conditioners
- Regular maintenance of Air Conditioners.
- Increasing awareness of management staff on usage of air-conditioners and other electrical appliances to reduce consumption of electrical energy.
- Conversion of office set-up from old separate table-chair arrangement to cubicle type arrangement resulting in optimum power consumption.

**AT GHAZIABAD PLANT**

- 600 KVA high efficiency genset installed at a cost of Rs.35 Lakh ,replacing 15 year old genset of 385 KVA, thereby saving in fuel cost of Rs3.0 lakh per annum beside power availability to induction furnaces on an average of 2 hrs daily.

**B) RESEARCH & DEVELOPMENT (R&D)**

Following are the specific areas in which R&D activities have been carried out by the Company during the year under review.

**AT PANIHATI PLANT**

New Pump Models/Components Developed:

- High-efficiency vertical turbine pumps of mixed flow type (specific speed 4000 – 4400 US NS) of design flow range of 37000 – 40000 M3/hr.
- High-efficiency vertical turbine pumps of axial flow type with adjustable propeller blades (specific speed 9500 – 12000 US NS) of design flow range 30000 – 35000 M3/hr.
- New tilting pad type thrust bearing housing design developed for 38000 Kg Axial Thrust for Large VT Pump application.

**New processes developed**

In-house software developed to improve the design process for

- New hydraulic design development by model-prototype simulation with Visual Basic application
- Impeller and Diffuser Bowl hydraulic profile generation with Auto CAD – VB interface

- 3-D model based plate development generation for fabricated pump components.
- 3-D Modeling of pump components for design optimization and value engineering.

#### **AT GHAZIABAD PLANT**

- 4 New axial split Pump model added in manufacturing range are 24 WLN 46, 6 WLN 21 , 10 LNV 18 & 20 LN 26 B

#### **SUBMERSIBLE – DRY MOTOR WITH AXIAL FLOW PUMP**

Design development, manufacturing , testing and supply of axial flow submersible pumps with dry type low rpm motor upto 10,000 m<sup>3</sup>/hr and 350 kw ratings. Models developed are :

- Pump model P20/P18.
- Pump model P36.
- Motor 60 hp/45kW-6P
- Motor 75 hp/55kW-4P
- Motor 250 hp/185kW-10P

#### **HORIZONTAL RADIAL SPLIT RING SECTION MULTISTAGE PUMPS**

Development of horizontal multistage pumps upto 600 mtrs. Head rating. Models developed/designed are WXH 30 100/240, 65/185, 40/135 and 32/135.

#### **VERTICAL SUMP PUMPS**

Design and development up to 10 inch delivery vertical volute sump pump with semi open high head and flow impeller upto 10 mtr column length. Models developed are VO WPES 80/400, 150/400 and 200/552.

#### **SUBMERSIBLE – WET TYPE MOTORS**

- Design, development and manufacturing and testing of 400 kw-4pole 3300 volts wet type submersible motor
- Design and development of 185 kw- 4pole 6600 volts wet type submersible motors with api 682 cartridge type mechanical seal
- Design development, manufacturing, testing and supply of nema submersible motors (4, 6 and 8 inches) with api 682 seals and API 610 submersible multistage pumpsets in various exotic material of constructions like super duplex stainless steel, inconel 625, cupro nickel etc for offshore oil & gas sector

#### **(C) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION**

- CFD (Computational Fluid Dynamics) laboratory fully established in R&D department. Internationally acclaimed CFD software ANSYS CFX has been installed. The centre is regularly conducting Flow Pattern Analysis for Pump Sumps to ensure smooth functioning of the pump. The centre has also started analysis of flow through pump hydraulic passages for pump efficiency enhancement.

#### **FUTURE PLAN OF ACTION**

- New design and development of high performance models for addition to HSC pump range.
- New machines to be added to enhance manufacturing capability of horizontal pumps.
- Re-engineering of plant layout for machining and assembly of pumps to enhance productivity.

# WPIL

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- Addition of standard products in horizontal range of pumps.

## TRAINING

- In-house training on “Water carrier system engineering and best-efficiency pump selection”. Five R&D personnel attended the course.
- R&D engineers attended in-house workshop with live demonstration on “Assembly, installation and performance testing of Large Vertical Turbine Pumps”.
- Training by internal & external faculty on enhancement of brand equity, environment protection, team work, health & safety, are being regularly organized.

## CONTINUOUS IMPROVEMENT

### FOCUS ON PUMP PERFORMANCE:

- Continuous review and analysis of past and present pump performance test results. Corrective and preventive measures are being taken regularly.
- Various aspects of impeller finishing are being explored by finishing of impellers and recording test results of the pumps with that finish. This is helping accumulation of large data which will help achieving the desired performance of pumps.

### VALUE ENGINEERING:

- Value engineering and performance improvement of Horizontal Pumps and development of investment cast impellers of Horizontal Pumps is continual process and a saving of Rs. 3 lac was achieved during the year by new developments.

## STANDARISATION

- Standardisation of vertical turbine pump components and Horizontal Pump components with focus on reduction of size and configuration variation. Overall goal is to reduce pump delivery time. The design standardization of pump components on shaft size basis is complete and has substantially improved on delivery of Horizontal Pumps.

## QUALITY SYSTEM

- Awareness training conducted for Kolkata operation plants implementation of EMS ISO:14001.
- EMS for Ghaziabad plant has undergone for Surveillance Audit against ISO:14001 successfully. Surveillance audit for ISO 9001-2008 has undergone successfully.

## (D) FOREIGN EXCHANGE EARNINGS AND OUTGO

	<b>Rs. in Lacs</b>
Total foreign exchange earned during the period	4615.91
Total foreign exchange used	1372.59

Place : Kolkata  
Date : 13th May, 2013

P. AGARWAL                      Managing Director  
K.K. GANERIWALA              Executive Director

## REPORT ON CORPORATE GOVERNANCE (Pursuant to Clause 49 of Listing Agreement with Stock Exchanges)

Annexure – B

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company's philosophy on Corporate Governance aims to attain the highest level of transparency, professionalism, accountability and integrity in its functioning and conduct of business with due respect to laws and regulations of the land. It is directed in such a way that it performs effectively keeping in view customers and its business, employees and long term interest of the stakeholders. Your Company is committed to good Corporate Governance and continuously reviews various investors' relationship measures with a view to enhance stakeholders' value. Your Company within its web of relationships with its borrowers, shareholders and other stakeholders has always maintained its fundamental principles of Corporate Governance- that of integrity, transparency and fairness. For your Company, corporate governance is a continuous journey, seeking to provide an enabling environment to harmonize the goals of maximizing the shareholders' value and maintaining a customer centric focus.

Your Company maintains that efforts to institutionalize Corporate Governance practices cannot solely rest upon adherence to a regulatory framework. Your Company's Corporate Governance compass has been its newly adopted business practices, its values and personal beliefs, reflected in actions of each of its employees.

Your Company believes that while an effective policy on Corporate Governance must provide for appropriate empowerment to the executive management, it must also create a mechanism of internal controls to ensure that powers vested in the executive management are properly used with appropriate consideration and responsibility so as to fulfill the objectives of the Company.

The Board of Directors fully support and endorse Corporate Governance practices as per the provisions of the Listing Agreements as applicable from time to time. Your Company takes proactive approach and revisits its governance practices from time to time so as to meet business and regulatory approach. The Corporate Governance structure in your Company is based on an effective independent Board, the separation of the Board's supervisory role from the executive management and constitution of Board Committees primarily focused on independent Directors and chaired by independent Directors to oversee the critical areas.

### 2. BOARD OF DIRECTORS

Your Company has a broad-based Board of Directors constituted in compliance with the terms of Listing Agreements with Stock Exchanges and in accordance with best practices in Corporate Governance. The Board of Directors of your Company comprises Executive and Non-Executive Directors; the latter include independent professionals who are also independent Directors.

In accordance with the governance policy, Directors are eminent professionals with experience in business /finance / management. Managing Director and Executive Director are appointed /re-appointed with the approval of shareholders for a period of three years or for a shorter duration as the Board deems fit from time to time. All other Directors are liable to retire by rotation. One-third of the Directors retire by rotation every year and are eligible for re-election. In terms of the Articles of Association of the Company, the strength of the Board shall not be less than three or more than twelve. The present strength of the Board of Directors is six, of which two are Executive Directors.

The following is the composition of Board as on 31st March, 2013.

Sl. No.	Category	No. of Directors	Percentage of total No. of Directors
1.	Non-Executive Director and Promoter	1	16.67
2.	Non-Executive Independent Directors	3	50.00
3.	Executive Director and Promoter (Managing Director)	1	16.67
4.	Executive Director	1	16.66
	TOTAL	6	100.00



The Board comprises of six Directors, two of whom are Managing Director & Executive Director and rests are Non-Executive Directors. Mr. V.N.Agarwal, Non-executive and Promoter Director acts as Chairman of the Board Meeting who virtually conducts the Board Meeting. The Directors are eminently qualified and have rich experience in business, finance and corporate management. One half of the Board of Directors are "Independent." The Independent Directors do not have any pecuniary relationship or transaction with the Company, promoters or management, which may affect their judgments in any manner. The day-to day management of your Company vests with the Managing Director and the Executive Director subject to the superintendence, control and direction of the Board of Directors

The policy formulation, evaluation of performance and the control function vest with the Board, while the Board Committee oversees the operational issues. The Board meets at least once in a quarter to consider inter alia the quarterly performance of your Company and financial results. The Directors attending the meeting actively participate in the deliberations at the meetings.

The names of the Board members, their attendance at the Board Meetings and General Body Meeting held during the financial year under review and the number of other Directorships and the Board Committee Memberships held by them as at March 31, 2013 are given below.

Name of the Board Members	Category (1)	Board Meetings attended out of 4 Meetings held during the year	Attendance at the last AGM held on 6th August, 2012	Number of other Directorships held in Indian Public and Private Limited companies (5)	Number of other Committee Memberships (2)
Mr. Prakash Agarwal (4)	MD & P	4	Present	12	5
Mr. V. N. Agarwal	NED & P	4	Present	13	7 (2)
Mr. K. K. Ganeriwala	ED	4	Present	13	7 (4)
Mr. S. N. Roy	NED & ID	3	Present	7	NIL
Mr. Shyamal Mitra	NED & ID	4	Present	1	NIL
Mr. Binaya Kapoor	NED & ID	4	Present	2	1

- (1) MD: Managing Director; NED: Non-Executive Director, P: Promoter; ID: Independent Director and ED: Executive Director.
- (2) Excludes the memberships of the committee other than the Audit Committee and Shareholders'/ Investors' Grievance Committee in Public Limited Company.
- (3) Figure in brackets indicates Committee Chairmanship.
- (4) Mr. Prakash Agarwal is the son of Mr. V.N.Agarwal
- (5) Does not include directorship in Foreign Companies.

#### **Details of Board Meetings held during the financial year**

During the Financial Year 2012-13, Four Board Meetings were held on 23rd June, 2012, 6th August, 2012, 3rd November, 2012, and 30th January, 2013

### **3. COMMITTEE OF THE BOARD**

Presently, there are four committees of the Board- the Audit Committee, Remuneration Committee, Share Transfer Committee and Shareholders'/ Investors' Grievance Committee.

The terms of reference of Board Committees are determined by the Board from time to time. Meetings of each Board Committee are convened by Committee Chairman. Minutes of Board Committee Meetings are placed at the Board for information. The



respective role and compositions of these Committees, including the number of meetings held during the financial year and the related attendance are provided below:-

**I. Audit Committee**

The Audit Committee provides general direction and oversees the audit and risk management function in the Company. It carries out periodic review of accounting policies and internal control systems, reviews the quality of internal and management audit reports, ensures the reliability of financial and other management information and adequacy of disclosures; it also acts as an interface between the Statutory and Internal Auditors and the Board of Directors.

The terms of reference of the Audit Committee are in line with Clause 49 II (C) and (D) of Listing Agreement with the Stock Exchanges as prescribed by the Securities & Exchange Board of India and Section 292A of the Companies Act, 1956.

The terms of references of Audit Committee include the followings:

- Overseeing Company’s financial reporting process and disclosures of its financial information.
- Recommending appointment or removal of the Statutory Auditors, fixing of audit fees and approving payments for any other services.
- Reviewing with the management the quarterly and annual financial statements with primary focus on :
  - a) Matters to be included in the Directors’ Responsibility Statement comprised in the Board Report in terms of Section 217(2AA) of the Companies Act, 1956.
  - b) Accounting policies and practices.
  - c) Compliance with Accounting Standards
  - d) Accounting- based on exercise of judgment by management.
  - e) Qualification in the draft Audit Report.
  - f) Compliance with listing and other legal requirements concerning financial statements.
  - g) Significant adjustments arising out of audit.
  - h) The going concern assumptions.
  - i) Related party transactions
- Reviewing with the management, Internal and Statutory Auditors the adequacy and compliance of internal control systems.
- Reviewing Company’s financial and risk management policies.
- Reviewing the internal audit function and reports and major findings of Internal Auditors.
- Pre-audit and post-audit discussions with the Statutory Auditors to ascertain the area of concern.

The Audit Committee comprises of three Non-executive Directors, and one Executive Director. All the Non-Executive Directors are Independent Directors. Members of the Committee are financially literate and have accounting and financial management expertise. The General Manager (Finance) and Company Secretary acts as the Secretary to the Committee. The Managing Director and the representatives of the Internal and Statutory Auditors are permanent invitees to the Audit Committee Meeting.

During the year ended 31st March, 2013, the Audit Committee meetings were held on 23rd June, 2012, 6th August, 2012, 3rd November, 2012, and 30th January, 2013 The composition of Audit Committee and the attendance of the members are furnished below:

Sl. No.	Name of Member of Audit Committee	No. of meetings attended	Number of meetings held during Members tenure
1.	Mr. Shyamal Mitra	4	4
2.	Mr. S. N. Roy	3	4
3.	Mr. Binaya Kapoor	4	4
4.	Mr. K. K. Ganeriwala	4	4

## II. Remuneration Committee

The terms of reference of the Remuneration Committee cover fixation of remuneration, gradation, scales, perquisites, increments etc of the Managing Director and the Executive Director.

The Committee determines on behalf of the Board of Directors and on behalf of the Shareholders, the Company's policies on specific remuneration packages for Executive Directors including pension rights and compensation payment.

The remuneration of the Managing Director/ Executive Director is determined by the Board of Directors within the statutory limits subject to the shareholders approval and on the basis of recommendations of the Remuneration Committee.

During the Financial year 2012-13, no Remuneration Committee Meeting was held.

The Non-executive Directors draw remuneration from the Company by way of sitting fees for attending the Meetings of the Board and its Committees. The fees are determined by the Board from time to time within the statutory guidelines. However, Non-executive Directors as a whole are entitled to receive commission not exceeding 1% of Net Profit of the Company in lieu of their services to the Company which was approved by the members in their fifty third Annual General Meeting held on 27th August, 2007.

A. Details of remuneration paid/payable to the Managing Director and the Executive Director during the year ended 31st March, 2013 are given below :

Name	Designation	Salary (Rs.)	Contribution to funds (Rs.)	Perquisites & Allowances (Rs.)	Commission (Rs.)	Total (Rs.)
Mr. Prakash Agarwal	MD	18,00,000	3,65,940	11,49,282	9,00,000	42,15,222
Mr. K. K. Ganeriwala	ED	12,00,000	2,43,960	9,26,162	6,00,000	29,70,122

There was no stock option during the Financial Year ended 31st March, 2013.

B. Details of remuneration paid/payable to Non-executive Directors during the year ended 31st March, 2013 are as follows:-

Sl. No.	Name of Directors	Commission (Rs.)	Sitting fees (Rs.)		Total (Rs.)
			Board	Committee	
1.	Mr. V. N. Agarwal	1,00,000/-	8,000/-	-	1,08,000/-
2.	Mr. S. N. Roy	1,00,000/-	6,000/-	6,000/-	1,12,000/-
3.	Mr. Shyamal Mitra	1,00,000/-	8,000/-	16,000/-	1,24,000/-
4.	Mr. Binaya Kapoor	1,00,000/-	8,000/-	8,000/-	1,16,000/-

## III. Shareholders'/Investors' Grievances Committee

The Shareholders'/Investors' Grievances Committee comprises of Mr. K.K.Ganeriwala (Chairman), Mr. Prakash Agarwal and Mr. Shyamal Mitra. The Committee meets in every quarter and looks into the various issues relating to Shareholders'/Investors including redressal of their complaints regarding transfer of shares in physical form, non-receipt of Annual Report, non- receipt of dividend warrants etc. During the financial year ended 31st March, 2013, 13 Nos. of Investors' complaints /queries were received altogether and no complaint/query was pending for redressal as on 31st March, 2013. Mr. U. Chakravarty, General Manager (Finance) and Company Secretary acts as Secretary to the Committee.

**IV. Share Transfer Committee**

The Committee consists of Mr.K.K.Ganeriwala (Chairman), Mr.P.Agarwal and Mr. Shyamal Mitra. The Committee usually meets at least once in every month that approves and monitors transfers, transmission, rematerialisation, sub-division and consolidation of securities in physical form and issue of new and duplicate Share Certificates by your Company. There was no transfer of shares pending for registration as on 31st March, 2013 and all the transfers after the month of September 2012 were registered within 15 days from the date of lodgement.

Mr.U.Chakravarty, General Manager (Finance) and Company Secretary has been designated as the Compliance Officer of the Company. Investors may contact Mr. U. Chakravarty at e-mail ID [uchakravarty@wpil.co.in](mailto:uchakravarty@wpil.co.in) for registering their complaints and also to take necessary follow-up action.

**4. BOARD PROCEDURE**

The Members of the Board have been provided with the requisite information in compliance to the requirements of Annexure 1A to Clause 49 of the Listing Agreements well before the Board Meeting and the same were dealt with appropriately.

All the Directors who are in various committees are within the permissible limits as stipulated in Clause 49 1Cof the Listing Agreements. The Directors have intimated from time to time about their memberships/Chairmanships in the various Committees in other Companies.

**5. GENERAL BODY MEETINGS**

I. The details of Annual General Meeting (AGM) held in the last three years are as follows :

Year	Venue	Date	Time	Special Resolution	Postal Ballot
2011-12	“Kala Kunj” Kalamandir (Basement), 48, Shakespeare Sarani, Kolkata-700 017	06.08.2012	10.00 A.M.	Yes	No
2010-11	“Kala Kunj” Kalamandir (Basement), 48, Shakespeare Sarani, Kolkata-700 017	28.07.2011	10.00 A.M.	Yes	No
2009-10	“Kala Kunj” Kalamandir (Basement), 48, Shakespeare Sarani, Kolkata-700 017	23.07.2010	10.00 A.M.	No	No

No Extra-ordinary General Meeting was held during the financial year.

II. Details of Special Resolution(s) passed at the Annual General Meeting during last three years.

Special Resolutions passed at the Annual General Meeting held on 6th August, 2012:

**Item No. 6**

To consider and, if thought fit, to pass with or without modification(s) the following resolutions as Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 372A and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company hereby accords its consent and approval to the Corporate Guarantee issued on behalf of WPIL International Pte. Limited, Singapore in favour of the ‘Finance Parties’ for securing the obligations of WPIL International Pte. Limited, Singapore towards Facility of USD 8.62 Million (comprising Term Loan of USD 5.62 Million and a stand-by letter of credit of USD 1.00 Million and a working capital of USD 2.00 Million) availed by it from ‘Finance Parties’ together with all interest, default interest, fees and/or remuneration payable to the ‘Finance Parties’, costs, charges, expenses and other monies whatsoever stipulated in or payable.”

**“RESOLVED FURTHER THAT** all actions and/or steps taken by the Company including signing and executing deeds, applications, documents and writings on behalf of the Company in connection with the issuing of the aforesaid Guarantee be and are hereby approved and confirmed.”

Special Resolutions passed at the Annual General Meeting held on 28th July, 2011:-

**Item No. 6.**

To consider and, if thought fit, to pass with or without modification(s), the following resolutions as Special Resolution:-

**“RESOLVED THAT** pursuant to the provisions of sections 198, 269,309 and other applicable provisions, if any, of the Companies Act, 1956, (the Act) read with Schedule XIII of the Act, or any amendment or re-enactment thereof, and subject to such other approval as may be necessary, the Company hereby accords its consent and approval to the re-appointment of Mr. K.K.Ganeriwala as Executive Director of the Company for a period of three years with effect from 1st November,2010 on such terms and conditions and payment of remuneration and other perquisites/benefits to Mr.K.K.Ganeriwala during the said period of three years as recommended by Remuneration Committee of Directors and also set out in Explanatory Statement under this item annexed to the notice convening this meeting.”

**“RESOLVED FURTHER THAT** in the event of any statutory amendment, modification or relaxation by the Central Government to Schedule XIII to the Act, the Board of Directors of the Company (hereinafter referred to as “the Board” which terms shall be deemed to include any committee which the Board may constitute to exercise its powers, including powers conferred by this resolution) be and is hereby authorised to alter and vary the terms and conditions of appointment including remuneration, if necessary, in such manner as may be agreed to by and between the Board and Mr. K.K. Ganeriwala, within such prescribed limit(s) or ceiling and the agreement between the Company and the Executive Director be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the Company in General Meeting.”

**Item No. 7.**

To consider and, if thought fit, to pass with or without modification(s), the following resolutions as Special Resolution:-

**“RESOLVED THAT** pursuant to the provisions of sections 198, 269,309 and other applicable provisions, if any, of the Companies Act, 1956, (the Act) read with Schedule XIII of the Act, or any amendment or re-enactment thereof, and subject to such other approval as may be necessary, the Company hereby accords its consent and approval to the re-appointment of Mr. P. Agarwal as Managing Director of the Company for a period of two years four months with effect from 1st July, 2011 to 31st October, 2013 on such terms and conditions and variation of remuneration and other perquisites/benefits to Mr. P. Agarwal during the period from 1st November,2010 to 31st October, 2013 as recommended by Remuneration Committee of Directors and also set out in Explanatory Statement under this item annexed to the notice convening this meeting.”

**“RESOLVED FURTHER THAT** in the event of any statutory amendment, modification or relaxation by the Central Government to Schedule XIII to the Act, the Board of Directors of the Company (hereinafter referred to as “the Board” which terms shall be deemed to include any committee which the Board may constitute to exercise its powers, including powers conferred by this resolution) be and is hereby authorised to alter and vary the terms and conditions of appointment including remuneration, if necessary, in such manner as may be agreed to by and between the Board and Mr. P. Agarwal, within such prescribed limit(s) or ceiling and the agreement between the Company and the Managing Director be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the Company in General Meeting.”

**Item No. 8.**

To consider and, if thought fit, to pass with or without modification(s), the following resolutions as Special Resolution:-

**RESOLVED THAT** pursuant to the provisions of Section 372A and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company hereby accords its consent and approval to the Corporate Guarantee issued on behalf of WPIL International Pte. Limited, Singapore in favour of the 'Finance Parties' for securing the obligations of WPIL International Pte. Limited, Singapore towards Facility of USD 10 Million (comprising Term Loan of USD 7.50 Million and a stand-by letter of credit and a working capital of USD 2.5 Million) availed by it from 'Finance Parties' together with all interest, default interest, fees and/or remuneration payable to the 'Finance Parties', costs, charges, expenses and other monies whatsoever stipulated in or payable. “

“**RESOLVED FURTHER THAT** all actions and/or steps taken by the Company including signing and executing deeds, applications, documents and writings on behalf of the Company in connection with the issuing of the aforesaid Guarantee be and are hereby approved and confirmed.”

No Special Resolution was passed during last three years through Postal Ballot. At present your Company does not have any resolution to be decided by the Members by Postal Ballot. No person has been appointed for conducting postal ballot exercise.

**6. DISCLOSURES**

- i) Save and except what has been disclosed under Note 26(j) of Financial Statements, forming part of the Financial statements of your Company for the year ended 31st March, 2013, there was no materially significant related party transaction, which may have potential conflict with the interests of your Company at large.
- ii) Your Company has complied with all the requirements including the provisions of Clause 49 of the Listing Agreements with Stock Exchanges as well as regulations and guidelines of SEBI. Consequently no penalties were imposed or strictures passed against the Company by SEBI, Stock Exchanges or any other Regulatory Authorities during last three years.
- iii) Your Company follows a well laid out Code of Conduct and Business Ethics, which is applicable to all the Members of the Board and Senior Management of the Company up to the level of General Manager. The Code lays down the standards of business conduct, ethics for transparent Corporate Governance. The Members of the Board and Senior Management of the Company adhere to this principle and have agreed to abide them by agreeing to affix their signatures on the same.
- iv) Your Company is in compliance with the requirements of the Corporate Governance, which reflects in this report. Your Company contemplates to adopt the residual non-mandatory requirements in course of time which are not covered under this report. The particulars of compliance status are given below:

Sl. No.	Corporate Governance Clause 49	Compliance Status (Yes/No)	Remarks
I.	<b>Board of Directors</b>		
(A)	Composition of Board	Yes	50% Independent and 50% Non-independent
(B)	Non-Executive Directors' Compensation & Disclosures	Yes	
(C)	Other provisions as to Board and Committee	Yes	
(D)	Code of Conduct	Yes	Declaration as necessary, has been made in the Directors' Report.

II.	<b>Audit Committee</b>		
(A)	Qualified & Independent Audit Committee	Yes	
(B)	Meeting of Audit Committee	Yes	
(C)	Power of Audit Committee 49 (IIC)	Yes	
(D)	Role of Audit Committee	Yes	
(E)	Review of Information by Audit Committee	Yes	
III.	<b>Subsidiary Companies</b>	—	Your Company has a wholly owned non-material and non-listed Subsidiary Company.
IV.	<b>Disclosures</b>		
(A)	Basis of Related Party Transactions	Yes	There is no deviation from the Accounting Standard
(B)	Disclosure of Accounting Treatment	Yes	
(C)	Board Disclosure	Yes	
(D)	Proceeds from Public Issues, Rights Issues, Preferential Issues etc.	—	The Company has not made any issue in the recent past
(E)	Remuneration of Directors	Yes	Disclosures as necessary, have been made in this Corporate Governance Report
(F)	Management	Yes	
(G)	Shareholders	Yes	Management Discussion and Analysis forms a part of Directors' Report.
V.	<b>CEO/CFO Certification</b>	Yes	Certification as required, has been provided to the Board for the Financial Year ended on 31st March, 2013.
VI.	<b>Report on Corporate Governance</b>	Yes	[As being presented]
VII.	<b>Compliance</b>	Yes	Certificate on Corporate Governance is annexed herewith.

v) No Equity Share was held by the Non-executive Directors as on 31st March, 2013.

## 7. MEANS OF COMMUNICATION

Sl. No.	Particulars	Remarks
I.	Quarterly Results	Announced within 45 days from the end of Quarter.
II.	Newspapers wherein results normally published	Business Standard/Financial Express (English) and Aajkaal/Dainik Statesman (Bengali)

III.	Any website, where displayed	At Company's own website
IV.	Whether it also displays news releases	Yes
V.	Whether it also displays presentations made to Institutional Investors or to the analysts	No

**8. GENERAL SHAREHOLDERS' INFORMATION**

Sl. No.	Particulars	Remarks
I.	<b>Annual General Meeting to be held</b>	
(A)	Day	Thursday
(B)	Date	25th August, 2013
(C)	Time	10.00 A.M.
(D)	Venue	"Kala Kunj", Kalamandir (Basement) 48, Shakespeare Sarani, Kolkata-700 017
II.	Calendar for Financial Results for the Financial year 2013-14	
(A)	1st Quarter ending 30th June, 2013	Before the end of 14th August, 2013
(B)	2nd Quarter and Half-year ending 30th September, 2013	Before the end of 14th November, 2013
(C)	3rd Quarter ending 31st December, 2013	Before the end of 14th February, 2014
(D)	4th Quarter and Annual Results for the year ending 31st March, 2014	Before the end of 30th May, 2014
III.	Dates of Book Closure (both days inclusive)	15th July to 25th July, 2013
IV.	Dividend payment date	The dividend, if declared, will be paid/credited on or after 26th July, 2013.
V.	Name of the Stock Exchanges at which Equity Shares are listed and Stock Code assigned to the Company's shares at the respective Stock Exchange	The Equity Shares of your Company are listed at the following Stock Exchanges :  i) Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Tower, Fort, Dalal Street, Mumbai-400 001. Stock Code: 505872  ii) The Calcutta Stock Exchange Limited, 7, Lyons Range, Kolkata-700 001. Stock Code: 10033117
VI.	Payment of Listing Fees	Your Company has paid the Listing Fees for the Financial Year 2013-14 to both the Stock Exchanges.
VII.	ISIN Number for NSDL and CDSL	INE765D01014

**VIII. Stock Price Data**

The table herein below depicts the particulars of month-wise high and low prices of the Company’s shares traded at both the Stock Exchanges at Mumbai and Kolkata for the year ended 31st March, 2013 and movement of month-wise high and low of BSE Sensex during the relevant period.

Month	Quotation at BSE		Quotation at CSE		BSE Sensex	
	High	Low	High	Low	High	Low
April, 2012	330.00	218.65	N.T.	N.T.	17,664.10	17,010.16
May, 2012	348.90	302.00	N.T.	N.T.	17,432.33	16,809.71
June, 2012	329.75	300.00	N.T.	N.T.	17,448.48	15,748.98
July, 2012	442.00	312.35	N.T.	N.T.	17,631.19	16,598.48
August, 2012	443.00	351.30	N.T.	N.T.	17,972.54	17,026.97
September, 2012	424.75	381.00	N.T.	N.T.	18,869.94	17,250.80
October, 2012	458.80	378.10	N.T.	N.T.	19,137.29	18,393.42
November, 2012	420.00	345.50	N.T.	N.T.	19,372.70	18,255.69
December, 2012	413.60	342.75	N.T.	N.T.	19,612.18	19,149.03
January, 2013	419.95	283.40	N.T.	N.T.	20,203.66	19,508.93
February, 2013	427.45	308.40	N.T.	N.T.	19,966.69	18,793.97
March, 2013	379.50	261.10	N.T.	N.T.	19,754.66	18,568.43

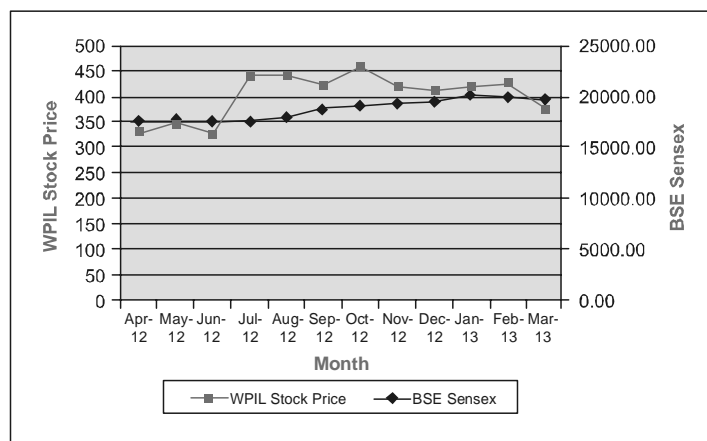
N.T. : No Transaction

Source : 1) [www.bseindia.com](http://www.bseindia.com)

2) As Certified by CSE

**IX. Movement of Company’s Share price at BSE with BSE Sensex**

The Chart hereinbelow indicates the comparison of your Company’s share price movement vis-à-vis the movement of the BSE Sensex :





X. **Share Transfer System**

The Share transfers in physical form are at present processed and the Share Certificates are returned, duly transferred in favour of the transferee within 15 days from the date of receipt subject to all documents being in order. The Share Transfer Committee of Directors usually meets once in every month to consider the transfer proposal in physical form.

XI. The Tables herein below shows the distribution pattern of shareholding of the Company as on 31st March, 2013.

i) **Distribution of Shareholding Pattern by ownership :**

Sl. No.	Category	No. of Equity Shares held	Percentage of Shareholding
A.	<b>Promoters' holding :</b>		
	1. <b>Promoters</b>		
	– Indian Promoters	59,64,751	74.87
	– Foreign Promoters	—	—
	2. <b>Persons acting in concert</b>	—	—
	<b>Sub-Total</b>	<b>59,64,751</b>	<b>74.87</b>
B.	<b>Non-Promoters' holding :</b>		
	3. <b>Institutional Investors</b>		
	a) Mutual Fund and UTI	150	0.00
	b) Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/ Non-Govt. Institutions)	566	0.01
	c) Foreign Institutional Investors	—	—
	<b>Sub-Total</b>	<b>716</b>	<b>0.01</b>
	4. <b>Others</b>		
	a) Private Corporate Bodies	7,74,427	9.72
	b) Indian Public	12,12,371	15.22
	c) NRIs/OCB	14,815	0.18
	d) Any others	—	—
	<b>Sub-Total</b>	<b>20,01,613</b>	<b>25.12</b>
	<b>GRAND TOTAL</b>	<b>79,67,080</b>	<b>100.00</b>

ii) **Distribution of Shareholding by number of shares held :**

Sl. No.	No. of Equity Shares held	No. of holders	Percentage of Total holders	No. of Shares	Percentage of Shareholding
1.	Upto 500	5,160	94.92	4,04,180	5.07
2.	501 to 1000	116	2.14	90,309	1.13
3.	1001 to 2000	58	1.07	85,734	1.08
4.	2001 to 3000	27	0.50	64,877	0.81
5.	3001 to 4000	12	0.22	41,051	0.52
6.	4001 to 5000	11	0.20	49,153	0.62
7.	5001 to 10000	23	0.42	1,69,725	2.13
8.	10001 to 50000	17	0.31	3,05,533	3.83
9.	50001 to 100000	7	0.13	4,67,706	5.87
10.	100001 and above	5	0.09	62,88,812	78.94
	Total	5,436	100.00	79,67,080	100.00

**XII. Dematerialization of Shares**

Your Company's Shares are under transfer-cum-demat option. The Shareholders have the option to hold the Company's Shares in demat form through the National Securities Depository Limited (NSDL) or Central Depository Services (India) Limited (CDSL).

At Present 96.65% of the Company's Shares are held in electronic form and the Company's shares can only be traded in compulsory demat segment in the Stock Exchanges.

- |   |  |
|---|--|
| XIII. Outstanding GDRs/ADRs/Warrants or any convertible instruments conversion dates and like impact on Equity. | Not applicable as your Company has not issued any GDRs/ADRs. |
|---|--|

**XIV. Plant Locations :**

- a) 22, Ferry Fund Road  
Panihati, Sodepur  
Kolkata-700 114
- b) A-5, Sector 22, Meerut Road  
Ghaziabad-201 003  
Uttar Pradesh
- c) 180/176, Upen Banerjee Road  
Kolkata-700 060
- d) Biren Roy Road (West)  
Ganipur, Maheshtala  
24 Parganas (South) PIN : 743 352

**XV. Address for Correspondence with the Company :**

Your Company attended to all Investors' Grievances/ queries/information requests and had replied to all letters received from the Shareholders within a week of receipt thereof.

Your Company has of late changed its Registrar and Share Transfer Agent whose particulars are given below. All Correspondences may please be henceforth addressed to the Registrar and Share Transfer Agent at the following address.

MCS Share Transfer Agent Limited,  
12/1/5, Manoharpukur Road, Ground Floor, Kolkata-700026  
Phone No. (033) 4072-4051-53  
Fax No. (033) 4072-4050  
E-mail : [mcssta@rediffmail.com](mailto:mcssta@rediffmail.com)  
Person to be contacted: Mr. Partha Mukherjee

In case any Shareholder is not satisfied with the response or does not get any response within reasonable time from the Registrar and Share Transfer Agent, he may contact Mr. U.Chakravarty, General Manager (Finance) and Company Secretary and Compliance Officer at phone No. (033) 3021-6800/6813 or communicate at E- Mail ID. [uchakravarty@wpil.co.in](mailto:uchakravarty@wpil.co.in) or through letter to the address of Registered Office of the Company.

**Registered Office :**

WPIL Limited  
Trinity Plaza, 3rd Floor  
84/1A, Topsia Road (South)  
Kolkata-700 046  
Phone No. (033) 3021-6800, 3021-6808  
Fax No. (033) 3021-6835

The above Report has been placed before the Board at its meeting held on 13th May, 2013 and the same has been approved.

Place: Trinity Plaza, 3rd Floor  
84/1A, Topsia Road (South)  
Kolkata-700 046

Date: 13th May, 2013

P. AGARWAL                      Managing Director  
K.K. GANERIWALA            Executive Director

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**Certificate of Compliance with Code of Conduct Policy**

In terms of the requirements of Clause 49 sub-clause (1D) of the Listing Agreements with Stock Exchanges, I hereby declare that all Board Members and Senior Management personnel of the Company have affirmed compliance to the WPIL Code of Conduct and Ethics for the Financial Year ended 31st March, 2013.

Trinity Plaza, 3rd Floor  
84/1A, Topsia Road (South)  
Kolkata - 700 046

Date: 13th May, 2013

For WPIL Limited

P. AGARWAL  
Managing Director

## **CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT(S)**

To

The members of WPIL Limited

We have examined the compliance of conditions of Corporate Governance by WPIL Limited for the year ended 31st March, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

We state that in respect of investors grievances received during the year ended 31st March 2013, no investors grievances are pending for a period exceeding one month against the Company as per records maintained by the Shareholders' Committee.

We 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.

Four Mangoe Lane  
Surendra Mohan Ghosh Sarani  
Kolkata  
Date : May, 13th 2013

For V. SINGHI & ASSOCIATES  
Chartered Accountants  
Firm Registration No. 311017E  
(V. K. SINGHI)  
Partner  
Membership No. 50051

## **INDEPENDENT AUDITOR'S REPORT**

### **To the Members of WPIL Limited**

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#### **Report on the Financial Statements**

We have audited the accompanying financial statements of WPIL Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2013, and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting principles used and reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

#### **Report on Other Legal and Regulatory Requirements**

1. As Required by the Companies (Auditor's Report) Order 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:

- a) we have 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 appears from our examination of those books.
- c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act 1956; and
- e) on the basis of written representations received from the Directors as on 31st March 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013, from being appointed as a director in terms of clause(g) of sub-section(1) of section 274 of the Companies Act ,1956.

Four Mangoe Lane  
Surendra Mohan Ghosh Sarani  
Kolkata 700 001

Date : 13th May, 2013

For V. Singhi & Associates  
Chartered Accountants  
Firm Registration No. 311017E

(V. K. SINGHI)  
Partner  
Membership No. 50051

**ANNEXURE TO THE AUDITOR'S REPORT**

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As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (hereinafter referred to as the Order) issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956, we further report on the matters specified in paragraphs 4 and 5 of the said Order as under:

- 1 a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.  
b) The fixed assets of the Company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.  
c) During the year, the Company has not disposed off any substantial/major part of fixed assets.
- 2 a) The inventory (excluding stocks lying with third parties) has been physically verified during the year at reasonable intervals by the management. In respect of stocks lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.  
b) In our opinion the procedure of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical stocks and the book records were not material and the same have been properly dealt with in the books of account.
- 3 a) The Company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, clause 4(iii) (b), (c), and (d) of the Order are not applicable.  
b) The Company has not taken any loan, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly clause 4(iii) (f) and (g) of the Order are not applicable.
- 4 In our opinion and according to the information and explanations given to us, having regard to the explanation that certain items purchased are of special nature for which suitable alternative sources do not exist for obtaining comparative quotations, there are adequate internal control systems commensurate with the size of the Company and the nature of its business, for the purchase of inventory, fixed assets and for sale of goods and services. Further, on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weakness in the aforesaid internal control procedures.
- 5 In our opinion and according to the information and explanations given to us, there are no transactions, in respect of any party during the year, made in pursuance of contracts or arrangements that need to be entered in the register maintained under section 301 of the Companies Act, 1956.
- 6 The Company has not accepted any deposits from the public within the meaning of Section 58A, 58AA and other relevant provisions of the Companies Act, 1956 and the rules framed thereon.
- 7 In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.

- 8 We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- 9 a) According to the information and explanations given and the records of the Company examined by us, in our opinion, undisputed statutory dues including Provident Fund, Investor Education & Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues as applicable have generally been regularly deposited with the appropriate authorities. No undisputed amounts payable in respect of Provident Fund, Investor Education & Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues were in arrears as at 31st March, 2013 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, the Company has not deposited the following dues on account of disputes with the appropriate authority :-

Name of the Statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Sales Tax	79,52,536	1995-96,1997-98 & 1998-99	Appellate Revisional Board
		24,59,528	2004-2005	- Do -
		29,02,595	2009-10	Additional Commissioner (Appeal)
West Bengal Sales Tax Act, 1994	Sales Tax	24,07,105	1995-96,1997-98 & 1998-99	Appellate Revisional Board
		57,22,132	2004-2005	- Do -
		38,75,375	2009-10	Additional Commissioner (Appeal)
Central Excise Act, 1944	Excise & Custom	42,000	—	CESTAT
		1,50,752	—	Commissioner (Appeals)

- 10 The Company has no accumulated losses at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- 11 Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of the dues to banks.
- 12 In our opinion and according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.



- 
- 13 The provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company. Accordingly, clause 4(xiii) of the Order is not applicable.
  - 14 In our opinion, the Company is not dealing in or trading in shares, debentures and other Investments. Accordingly, clause 4(xiv) of the Order is not applicable.
  - 15 In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks, are not, prima facie, prejudicial to the interests of the Company
  - 16 According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, the term loans taken by the Company during the year have been applied for the purpose for which such loans were obtained.
  - 17 According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, there are no funds raised on short term basis which have been used for long term investments other than certain loans which were utilized for working capital requirements in line with the purpose for which such loans were obtained.
  - 18 The Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
  - 19 The Company has not issued any debentures during the year and accordingly, clause 4(xix) of the Order is not applicable.
  - 20 The Company has not raised any money by way of public issue during the year.
  - 21 According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

Four Mangoe Lane  
Surendra Mohan Ghosh Sarani  
Kolkata 700 001

Date : 13th May, 2013

For V. Singhi & Associates  
Chartered Accountants  
Firm Registration No. 311017E

(V. K. SINGHI)  
Partner  
Membership No. 50051

# WPIL

## BALANCE SHEET

AS AT 31ST MARCH, 2013

	Note No.	31st March, 2013		31st March, 2012	
		Rs.	Rs.	Rs.	Rs.
<b>I. EQUITY AND LIABILITIES</b>					
<b>1) Shareholders' Funds</b>					
a) Share Capital	2	7,96,70,800		7,96,70,800	
b) Reserves and Surplus	3	75,89,81,681	83,86,52,481	59,03,44,164	67,00,14,964
<b>2) Non-Current Liabilities</b>					
a) Long-Term Borrowings	4	30,17,21,829		38,09,56,325	
b) Deferred Tax Liabilities (net)	5	2,94,69,128		2,72,22,081	
c) Long-Term Provisions	6	70,46,757	33,82,37,714	62,95,586	41,44,73,992
<b>3) Current Liabilities</b>					
a) Short-Term Borrowings	7	57,88,68,253		43,32,98,373	
b) Trade Payables	8	64,47,85,485		71,32,61,538	
c) Other Current Liabilities	9	56,42,66,003		24,83,74,590	
d) Short-Term Provisions	10	2,95,06,975	181,74,26,716	2,95,79,359	142,45,13,860
Total			299,43,16,911	250,90,02,816	
<b>II. ASSETS</b>					
<b>1) Non - Current Assets</b>					
a) Fixed Assets					
i) Tangible Assets	11	28,03,32,886		29,33,96,577	
ii) Capital Work-in-Progress		1,70,33,598		—	
		29,73,66,484		29,33,96,577	
b) Non-Current Investments	12	37,89,22,585		8,27,65,500	
c) Long-Term Loans and Advances	13	5,16,10,499	72,78,99,568	5,15,77,152	42,77,39,229
<b>2) Current Assets</b>					
a) Inventories	14	25,74,57,446		29,88,73,788	
b) Trade Receivables	15	174,59,68,751		159,20,01,559	
c) Cash and Cash equivalents	16	2,41,66,084		1,78,13,301	
d) Short - Term Loans and Advances	17	23,40,67,027		17,09,56,369	
e) Other Current Assets	18	47,58,035	226,64,17,343	16,18,570	208,12,63,587
Total			299,43,16,911	250,90,02,816	
Significant Accounting Policies	1				

The accompanying Notes form an integral part of the Financial Statements

	As per our Report of even date		
	For V. Singhi & Associates		
	Chartered Accountants	PRAKASH AGARWAL	Managing Director
	Registration no. 311017E	K.K. GANERIWALA	Executive Director
	(V. K. SINGHI)	U. CHAKRAVARTY	General Manager (Finance)
Place : Kolkata	Partner		& Company Secretary
Date : May 13, 2013	Membership no. 50051		

**STATEMENT OF PROFIT AND LOSS  
FOR THE YEAR ENDED 31ST MARCH, 2013**

	Note No.	Year ended 31st March, 2013		Year ended 31st March, 2012	
		Rs.	Rs.	Rs.	Rs.
I. Revenue from Operations	19	<b>276,90,96,025</b>		306,75,20,396	
Less : Excise Duty		<b>8,22,61,981</b>	<b>268,68,34,044</b>	<u>6,09,21,377</u>	300,65,99,019
II. Other Income	20		<b>77,66,009</b>		2,36,64,011
III. Total Revenue (I+II)			<b>269,46,00,053</b>		<u>303,02,63,030</u>
IV. Expenses					
Cost of Raw Materials and Components consumed	21		<b>173,65,46,543</b>		205,65,64,414
Change in Inventories of Finished Goods and Work in Progress :	22		<b>(2,50,16,049)</b>		(3,61,35,479)
Employee Benefits Expenses	23		<b>18,22,69,131</b>		17,18,21,920
Finance Costs	24		<b>12,42,40,027</b>		12,51,94,979
Depreciation		<b>2,06,76,700</b>		1,99,70,040	
Less: Transferred from Revaluation Reserve		<b>2,20,268</b>	<b>2,04,56,432</b>	<u>2,21,368</u>	1,97,48,672
Other Expenses	25		<b>38,41,97,556</b>		<u>39,66,88,049</u>
			<b>242,26,93,640</b>		<u>273,38,82,555</u>
V. Profit before tax (III - IV)			<b>27,19,06,413</b>		29,63,80,475
VI. Tax expense					
- Current Tax		<b>7,90,00,000</b>		9,27,00,000	
- Tax adjustment of previous year		<b>31,59,411</b>		<u>6,46,881</u>	
		<b>8,21,59,411</b>		9,33,46,881	
- Deferred Tax		<b>22,47,047</b>		<u>45,59,217</u>	
			<b>8,44,06,458</b>		<u>9,79,06,098</u>
Profit for the year (V - VI)			<b>18,74,99,955</b>		19,84,74,377
Earnings per share (Face value of Rs 10/- each)					
(a) Basic			<b>23.53</b>		24.91
(b) Diluted			<b>23.53</b>		24.91

Significant Accounting Policies 1

The accompanying Notes form an integral part of the Financial Statements

As per our Report of even date

For V. Singhi & Associates

Chartered Accountants

Registration no. 311017E

(V. K. SINGHI)

Partner

Membership no. 50051

PRAKASH AGARWAL

K.K. GANERIWALA

U. CHAKRAVARTY

Managing Director

Executive Director

General Manager (Finance)  
& Company Secretary

Place : Kolkata

Date : May 13, 2013

### 1 SIGNIFICANT ACCOUNTING POLICIES

#### a) ACCOUNTING CONVENTIONS

The Financial Statements are prepared in accordance with historical cost convention, modified by revaluation of certain fixed assets.

#### b) FIXED ASSETS AND DEPRECIATION

Fixed Assets are stated at cost except for certain assets which were revalued and shown at valuation as per Valuer's Certificate.

Cost includes inward freight, duties, taxes and expenses incidental to acquisition and installation. In respect of self-constructed fixed assets, cost includes value of materials, labour and proportionate allocable overheads.

In respect of revalued assets the difference between written down value of assets and its valuation is transferred to Revaluation Reserve.

No depreciation is provided on Freehold Land. Value of Leasehold Land is amortized over the period of lease. In respect of other assets, depreciation is provided in the Financial Statement on written down value method in respect of assets acquired upto 31st December, 1969 and on straight-line method in respect of other assets, at the rates prescribed in Schedule XIV of the Companies Act, 1956.

Depreciation on differential increase in values arising out of revaluation is recouped from Revaluation Reserve.

#### c) IMPAIRMENT OF ASSETS

The Company identifies impairable assets at the year end in accordance with the guiding principles of Accounting Standard - 28, issued by the Institute of Chartered Accountants of India, for the purpose of arriving at impairment loss thereon, being the difference in the book value and the recoverable value of the relevant assets. Impairment loss, when crystallises, are charged against revenues for the year

#### d) INVESTMENTS

Long term investments are stated at cost unless there is a permanent diminution in value.

#### e) INVENTORIES

Finished Goods and Components are valued at cost (Net of CENVAT Credit) or net realizable value, whichever is lower.

Other inventories are valued at cost or net realizable value, whichever is lower.

Cost is determined on weighted average basis and includes expenditure incurred in the normal course of business in bringing stocks and finished goods to their location and condition including appropriate overheads wherever applicable.

Cost of own manufactured components is determined by considering raw material cost and proportionate share of labour and overheads.

Cost of Work-in-progress is determined by considering raw material cost plus labour and overheads apportioned on an estimated basis depending upon the stages of completion.

#### f) RESEARCH & DEVELOPMENT EXPENSES

Revenue Expenditure on Research and Development are charged to the Statement of Profit and Loss of the year in which it is incurred. Capital Expenditure is considered as addition to Fixed Assets and depreciated as stated above.

#### g) FOREIGN CURRENCY TRANSACTIONS

i) Transactions in foreign currencies are recorded in rupees by applying the rate of exchange ruling on the date of the transaction.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)**

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- ii) Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.
- iii) Non-monetary foreign currency items are carried at cost.
- iv) Gain or Loss on settled transactions are recognized in the Statement of Profit and Loss except for purchase of fixed assets which are adjusted to carrying amount of fixed assets. Unsettled transactions as at the year end are translated at the closing rate and the gain or loss is recognized in the Statement of Profit and Loss except for liabilities incurred for purchase of fixed assets which are adjusted to the carrying amount of fixed assets.

**h) RETIREMENT BENEFITS**

The Company contributes to Provident Fund and Superannuation Fund which are administered by duly constituted and approved independent Trust/Government and such contributions are charged against revenues every year.

Accrued liability in respect of retirement gratuities are actuarially ascertained at the year end. The Company has created a Gratuity Fund under Group Gratuity Scheme of L.I.C.I. under which yearly premium is being paid to take care of current as well as past liability. The annual premium is charged to the Financial Statements.

Accrued liability in respect of leave encashment benefits on retirement is actuarially ascertained at the year end as per the requirement of Accounting Standard – 15 (Revised) on Employee Benefit and provided for in the Financial Statements.

**i) INCOME**

Turnover is stated inclusive of discounts, but net of sales tax and excise duty and represents the invoiced value of goods delivered during the year.

Income from installation and servicing is recognized in the Financial Statements on completion of the job or as per stipulations in the contract and the expenditure incurred but not invoiced is carried forward as work-in-progress.

**j) FINANCIAL DERIVATIVES AND HEDGING TRANSACTIONS**

Financial derivatives and hedging contracts are accounted for on the date of their settlement, and realized gain/incurred loss in respect of contracts is recognized in the Statement of Profit and Loss alongwith the underlying transactions

**k) BORROWING COST**

Borrowing costs incurred in relation to acquisition or construction of assets which necessarily takes substantial period of time to get ready for intended use are capitalized/allocated as part of such assets. Other borrowing costs are charged as expenses in the year in which they are incurred.

**l) TAXES ON INCOME**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is calculated at current statutory income tax rates as applicable and is recognised on timing difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred tax assets subject to consideration to prudence are recognised and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**m) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but

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## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)

are disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the Financial Statements.

Cost of Product Warranties including provisions are included under the head "Miscellaneous Expenses", which includes cost of raw materials and components for free replacement of spares, and other overheads.

	31st March, 2013	31st March, 2012
	Rs.	Rs.
<b>2 SHARE CAPITAL</b>		
<b>(a) Authorised</b>		
98,60,000 Ordinary Shares of Rs. 10/- each	<b>9,86,00,000</b>	9,86,00,000
14,000 11% Redeemable Cumulative Preference Shares of Rs. 100/- each	<b>14,00,000</b>	14,00,000
	<b>10,00,00,000</b>	10,00,00,000
<b>(b) Issued, Subscribed and Paid Up</b>		
79,67,080 Ordinary Shares of Rs. 10/- each fully paid up	<b>7,96,70,800</b>	7,96,70,800

	No. of Shares	Amt. (Rs.)	No. of Shares	Amt. (Rs.)
<b>a) Reconciliation of Number of Shares</b>				
Opening balance	<b>79,67,080</b>	<b>7,96,70,800</b>	79,67,080	7,96,70,800
Changes during the year	—	—	—	—
Closing balance	<b>79,67,080</b>	<b>7,96,70,800</b>	79,67,080	7,96,70,800

	31st March, 2013		31st March, 2012	
	No. of Shares	% of Holding	No. of Shares	% of Holding
<b>b) Name of the Shareholders holding more than 5% of the total shares issued by the Company</b>				
Hindusthan Udyog Limited	<b>38,61,659</b>	<b>48.47</b>	38,61,659	48.47
Ashutosh Enterprises Limited	<b>19,06,650</b>	<b>23.93</b>	19,06,650	23.93

(c) The Company has issued ordinary shares having a face value of Rs 10/- each. Each holder of ordinary share is entitled to one vote per share. The Company declares dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the Annual General Meeting.

(d) In the event of liquidation of the company, the holder of ordinary shares will be entitled to receive any of the remaining assets of the company after distribution of all preferential amounts. The distribution will be in the proportion to the number of ordinary shares held by the shareholders.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)**

	31st March, 2013		31st March, 2012	
	Rs.	Rs.	Rs.	Rs.
<b>3 RESERVES AND SURPLUS</b>				
a) Capital Reserve on Re-issue of forfeited shares As per last Financial Statement		<b>3,500</b>		3,500
b) Capital Redemption Reserve As per last Financial Statement		<b>14,00,000</b>		14,00,000
c) Revaluation Reserve As per last Financial Statement	<b>55,39,498</b>		57,60,866	
Less: Transferred to Statement of Profit and Loss	<b>2,20,268</b>		<u>2,21,368</u>	
		<b>53,19,230</b>		55,39,498
d) General Reserve As per last Financial Statement	<b>34,37,15,302</b>		19,37,15,302	
Add : Transfer from Surplus	<b>15,62,84,698</b>		<u>15,00,00,000</u>	
		<b>50,00,00,000</b>		34,37,15,302
e) Surplus As per last Financial Statement	<b>23,96,85,864</b>		20,96,69,021	
Add : Excess provision for Tax on Dividend for the year 2011 written back	—		<u>61,545</u>	
	<b>23,96,85,864</b>		20,97,30,566	
Add : Profit for the year as per Statement of Profit and Loss	<b>18,74,99,955</b>		<u>19,84,74,377</u>	
	<b>42,71,85,819</b>		40,82,04,943	
Less : Appropriations				
– Transfer to General Reserve	<b>15,62,84,698</b>		15,00,00,000	
– Proposed Dividend	<b>1,59,34,160</b>		1,59,34,160	
– Tax on Dividend	<b>27,08,010</b>	<b>25,22,58,951</b>	<u>25,84,919</u>	<u>23,96,85,864</u>
		<b>75,89,81,681</b>		<u>59,03,44,164</u>



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### NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)

	31st March, 2013		31st March, 2012	
	Rs.	Rs.	Rs.	Rs.
<b>4 LONG TERM BORROWINGS</b>				
Secured :				
Term Loans :				
a) From Banks [Refer Note A below ]	<b>26,23,840</b>		12,39,128	
Less: Repayable within one year [Secured by hypothecation of Vehicles purchased there against]	<b>9,02,011</b>	<b>17,21,829</b>	<u>2,82,803</u>	9,56,325
b) From Tata Capital Financial Services Ltd. (Refer Note B below)	<b>30,00,00,000</b>		30,00,00,000	30,00,00,000
Less: Repayable within one year (Secured by First Pari Passu charge on whole of the fixed assets of the Company, and personal guarantee of one Director)	<b>20,00,00,000</b>	<b>10,00,00,000</b>	<u>—</u>	
Unsecured :				
– From Corporate Bodies [Refer Note 26(j)]		<b>20,00,00,000</b>		<u>8,00,00,000</u>
		<b>30,17,21,829</b>		<u>38,09,56,325</u>

**Note A** - Represents four vehicle loans repayable as under :

- Rs 4,01,925 in 23 equal monthly instalments of Rs 19,555 ending on 05.02.2015.
- Rs 10,61,089 in 31 equal monthly instalments of Rs 39,727 ending on 20.10.2015.
- Rs 6,06,426 in 31 equal monthly instalments of Rs 23,000 ending on 20.10.2015.
- Rs 5,55,400 in 48 equal monthly instalments of Rs 14,233 ending on 01.03.2017.

**Note B** - Represents two Term Loans amounting to Rs 15 crores each, repayable as under :

- In three equal instalments of Rs 5 crores each on 20.10.2013, 20.10.2014 and 20.10.2015.
- In two equal instalments of Rs 7.50 crores each on 20.06.2013 and 20.09.2013.

#### 5 DEFERRED TAX LIABILITIES (Net)

In compliance with the Accounting Standard 22 on “Accounting for Taxes on Income” issued by the Institute of Chartered Accountants of India, the Company has adjusted the Deferred Tax Liability (net) of Rs. 22,47,047/- for the year has been recognized in the Profit and Loss Account. The Deferred Tax Liability (net) comprises of :

	31st March, 2013		31st March, 2012	
	Rs.	Rs.	Rs.	Rs.
a) Defered Tax Liabilities :				
- Depreciation on Fixed Assets		<b>3,21,66,758</b>		3,15,10,242
b) Deferred Tax Assets :				
- Employees Benefits	<b>24,37,001</b>		40,85,219	
- Others	<b>2,60,629</b>	<b>26,97,630</b>	<u>2,02,942</u>	<u>42,88,161</u>
		<b>2,94,69,128</b>		<u>2,72,22,081</u>





**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)**

	<b>31st March, 2013</b>	<b>31st March, 2012</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>6 LONG TERM PROVISIONS</b>		
– Leave Encashment [Refer Note 26(k) ]	<b>70,46,757</b>	62,95,586
	<b>70,46,757</b>	62,95,586

	<b>31st March, 2013</b>	<b>31st March, 2012</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>7 SHORT TERM BORROWINGS</b>		
<b>LOANS REPAYABLE ON DEMAND</b>		
(a) Secured		
* Cash Credit from Banks	<b>48,62,07,758</b>	33,59,76,403
(Secured by first charge by way of hypothecation on Stocks, Consumable Stores, Book Debts and other movables and first mortgage/charge over the Company's present and future fixed assets ranking pari passu with charge created/to be created on all moveable fixed assets of the Company's units at Panihati and Ghaziabad in favour of Tata Capital Financial Services Limited)		
<b>[Refer Note 4(b)]</b>	<b>48,62,07,758</b>	33,59,76,403
(b) Unsecured		
Short Term Loans from :		
** Bank	<b>9,26,60,495</b>	9,73,21,970
	<b>9,26,60,495</b>	9,73,21,970
Total	<b>57,88,68,253</b>	43,32,98,373

\* Includes Foreign Currency Loan of USD 20,00,000 equivalent to Rs. 10,88,60,000 repayable in six months

\*\* Represents Foreign Currency Loan of JPY 16,05,90,113 equivalent to Rs. 9,26,60,495 repayable on 21.08.2013

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)**

**8 TRADE PAYABLE**

- a) Acceptances
- b) Sundry Creditors

31st March, 2013		31st March, 2012	
	Rs.		Rs.
	<b>9,01,07,133</b>		12,29,39,201
	<b>55,46,78,352</b>		59,03,22,337
	<b>64,47,85,485</b>		71,32,61,538

As required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 and to the extent such parties are identified on the basis of information available with the Company, there are no Micro enterprises or Small Scale enterprises to whom the Company owes any due which are outstanding as at 31st March, 2013; (2012 – Rs Nil).

**9 OTHER CURRENT LIABILITIES**

- a) Current maturities of Long Term Borrowings (Refer Note 4)
- b) Advance from customers
- c) Interest accrued but not due on loans
- d) Unclaimed dividends
- e) Other Payables
  - Statutory Liabilities
  - Deposits
  - Others

31st March, 2013		31st March, 2012	
	Rs.		Rs.
	<b>20,09,02,011</b>		4,21,259
	<b>29,86,82,927</b>		19,34,33,564
	<b>49,66,425</b>		40,49,591
	<b>7,44,369</b>		5,40,401
	<b>2,47,22,973</b>		2,41,83,504
	<b>10,56,000</b>		11,06,000
	<b>3,31,91,298</b>	<b>5,89,70,271</b>	2,46,40,271
	<b>56,42,66,003</b>		4,99,29,775
			24,83,74,590

**10 SHORT TERM PROVISIONS**

- a) For Proposed Dividend
- b) For Tax on Proposed Dividend
- c) For Leave Encashment [Refer Note 26(k)]
- d) For Warranties [Refer Note 26(f)]

31st March, 2013		31st March, 2012	
	Rs.		Rs.
	<b>1,59,34,160</b>		1,59,34,160
	<b>27,08,010</b>		25,84,919
	<b>17,39,805</b>		8,74,172
	<b>91,25,000</b>		1,01,86,108
	<b>2,95,06,975</b>		2,95,79,359

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)**

**11 FIXED ASSETS**

	GROSS BLOCK		DEPRECIATION		NET BLOCK				
	Cost/Valuation As at 31st March, 2012 Rs.	Additions during the year Rs.	Disposals/ Adjustments during the year Rs.	As at 31st March, 2013 Rs.	Upto 31st March, 2012 Rs.	For the year Rs.	Upto 31st March, 2013 Rs.	As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
<b>TANGIBLE ASSETS</b>									
Land : Freehold	42,33,840	—	—	42,33,840	—	—	—	42,33,840	42,33,840
Leasehold	57,48,138	—	—	57,48,138	17,48,117	78,108	18,26,225	39,21,913	40,00,021
Buildings (Refer Note A below)	11,76,45,020	36,93,103	—	12,13,38,123	3,75,49,075	38,50,420	4,13,99,495	7,99,38,628	8,00,95,945
Plant and Machinery (Refer Note B and C below)	27,72,83,431	78,92,908	81,17,759	27,70,58,580	11,59,06,849	1,15,81,501	12,64,44,034	15,06,14,546	16,13,76,582
Factory Equipment	30,96,312	—	—	30,96,312	29,40,745	53,157	29,93,902	1,02,410	1,55,567
Patterns and Moulds	5,40,84,401	—	—	5,40,84,401	4,32,71,147	22,92,002	4,55,63,149	85,21,252	1,08,13,254
Electrical Installation	1,96,10,391	3,30,434	—	1,99,40,825	56,25,160	8,25,842	64,51,002	1,34,89,823	1,39,85,231
Furniture and Fittings	2,69,09,364	5,57,893	—	2,74,67,257	1,12,10,342	15,88,069	1,27,98,411	1,46,68,846	1,56,99,022
Motor Vehicles	38,89,413	22,12,114	—	61,01,527	8,52,298	4,07,601	12,59,899	48,41,628	30,37,115
Total	51,25,00,310	1,46,86,452	81,17,759	51,90,69,003	21,91,03,733	2,06,76,700	23,87,36,117	28,03,32,886	29,33,96,577
Previous year	44,97,85,385	6,39,51,689	12,36,764	51,25,00,310	19,96,37,683	1,99,70,040	5,03,990	29,33,96,577	

Note - A : Land and Buildings were revalued in 1980 and Plant & Machinery were revalued in 1984 and the surplus on revaluation was transferred to Revaluation Reserve Account. Depreciation for the year "ended 31 March, 2013 on the amounts added on revaluation amounting to Rs. 2,20,268 (2012 - Rs. 2,21,368) has been credited to the Statement of Profit and Loss by transfer from Revaluation "Reserve Account."

Note - B : Gross Block includes Rs. 1,07,20,565 (previous year - Rs. 1,03,42,177) acquired for Research and Development purpose.

Note - C : Additions during the year Includes adjustment of loss of Rs. 1,74,852 on account of Exchange rate variation.

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## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)

### 12 NON-CURRENT INVESTMENTS - long term (at cost)

Unquoted

#### a Trade Investments -

Investment in Equity Shares (fully paid up)

Nos.	Currency	Face Value	Description
8	AUD	1	<b>In Subsidiaries :</b> Sterling Pump Pty Ltd., Australia
27,14,911	SGD	1	WPII Pte International Ltd. Singapore (2012-15,87,332 shares)
22,625	INR	100	<b>In a Wholly Owned Subsidiary :</b> Mody Industries (F.C) Private Limited
400,000	INR	10	<b>In Joint Venture:</b> Clyde Pumps India Private Limited

#### b Other Investments

	INR		Government Securities 7 Year Post Office National Savings Certificate Less : Provisions made
1	INR	7000	(5% Non-Redeemable Debenture Stock) Woodland Hospital & Medical Research Centre Limited
9	INR	1000	(6 1/2% Non-Redeemable Debenture Stock) Bengal Chamber of Commerce and Industry

31st March, 2013		31st March, 2012	
Rs.	Rs.	Rs.	Rs.
	2,11,81,500		2,11,81,500
	10,87,18,960		5,75,68,000
	24,50,06,125		—
	40,00,000		40,00,000
	23,000		23,000
	23,000		23,000
	—		—
	7,000		7,000
	9,000		9,000
	37,89,22,585		8,27,65,500

### 13 LONG TERM LOANS AND ADVANCES - UNSECURED

(Considered good)

Security Deposits :

- Earnest Money Deposit

- Others

Other Advances

31st March, 2013		31st March, 2012	
Rs.	Rs.	Rs.	Rs.
95,70,453		95,45,106	
7,90,046	1,03,60,499	7,82,046	1,03,27,152
	4,12,50,000		4,12,50,000
	5,16,10,499		5,15,77,152

### 14 INVENTORIES

(at lower of cost or net realisable value)

a) Raw Materials and Components (Refer Note A)

b) Work-in-Progress

c) Finished Goods

d) Stores and Spare Parts

31st March, 2013		31st March, 2012	
Rs.	Rs.	Rs.	Rs.
	13,86,31,085		20,39,90,288
	9,81,27,031		7,36,68,537
	1,22,40,111		1,16,82,556
	84,59,219		95,32,407
	25,74,57,446		29,88,73,788

Note-A : Includes materials lying with third parties Rs. 1,99,08,067/- (2012 - Rs. 1,58,52,622/-)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)**

	31st March, 2013		31st March, 2012	
	Rs.	Rs.	Rs.	Rs.
<b>15 TRADE RECEIVABLES – UNSECURED (CONSIDERED GOOD)*</b>				
a) Debts outstanding for a period exceeding six months		<b>30,87,80,876</b>		19,22,49,978
b) Other Debts		<b>143,71,87,875</b>		139,97,51,581
* Includes Receivables from Related Parties Rs. 7,42,29,517/-, (2012- Rs. 1,90,11,708/-)		<u><b>174,59,68,751</b></u>		<u>159,20,01,559</u>

	31st March, 2013		31st March, 2012	
	Rs.	Rs.	Rs.	Rs.
<b>16 CASH AND CASH EQUIVALENTS</b>				
a) Balance with Banks : – In Current Account		<b>1,55,57,177</b>		72,91,393
b) Cash - in - hand *		<b>28,64,538</b>		40,55,207
c) Other Bank balances – On Unclaimed Dividend Account – On Bank Deposits with less than 12 months maturity (pledged with Bank)		<b>7,44,369</b> <b>50,00,000</b>		5,40,401 <u>59,26,300</u>
		<u><b>2,41,66,084</b></u>		<u>1,78,13,301</u>

\* As certified by the Management

	31st March, 2013		31st March, 2012	
	Rs.	Rs.	Rs.	Rs.
<b>17 SHORT TERM LOANS AND ADVANCES – UNSECURED (CONSIDERED GOOD)</b>				
a) Loans and Advances to Related Parties [Refer Note 26(j)]		<b>11,23,22,000</b>		4,00,02,000
b) Others :				
– Balance with Central Excise authority	<b>6,93,89,735</b>		6,51,37,659	
– Balance with Sales tax authorities	<b>1,63,35,537</b>		1,91,15,011	
– Balance with Customs authority	—		3,27,692	
– Others	<b>2,64,17,168</b>	<b>11,21,42,440</b>	<u>4,22,89,315</u>	12,68,69,677
c) Advance payment of Income - Tax [Net of Provision for Income Tax - Rs. 790 lacs, (2012 - Rs. 927 lacs)]		<b>96,02,587</b>		40,84,692
		<u><b>23,40,67,027</b></u>		<u>17,09,56,369</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)

**18 OTHER CURRENT ASSETS**  
– Interest Receivables

31st March, 2013		31st March, 2012	
Rs.	Rs.	Rs.	Rs.
	<b>47,58,035</b>		16,18,570
	<b>47,58,035</b>		16,18,570

**19 REVENUE FROM OPERATIONS**

- a) Sale of Products  
– Pumps  
– Spare Part of Pumps  
– Grey Iron Castings  
– Accessories of Pumps  
– Others  
b) Sale of Services  
c) Other Operating Revenues :  
– Duty Drawback

31st March, 2013		31st March, 2012	
Rs.	Rs.	Rs.	Rs.
<b>94,49,45,023</b>		91,16,75,953	
<b>62,16,09,849</b>		44,10,44,663	
<b>67,80,415</b>		48,98,559	
<b>111,42,16,900</b>		162,61,20,792	
<b>1,08,50,426</b>	<b>269,84,02,613</b>	<u>1,21,59,794</u>	299,58,99,761
	<b>7,01,22,229</b>		7,11,34,624
	<b>5,71,183</b>		4,86,011
	<b>276,90,96,025</b>		<u>306,75,20,396</u>

**20 OTHER INCOME**

- a) Interest Income (Gross)  
(TDS - Rs. 25,228 ; 2012 - Rs. 23,815)  
b) Net Gain/(loss) on Foreign currency  
translation and transaction  
c) Claims and Compensations received  
d) Rent income  
(TDS - Rs. 3,12,000 ; 2012 - Rs. 2,66,000)  
e) Service charge for Corporate Gurrantee  
[Refer Note 26(j)]  
f) Sundry Income  
g) Liability no longer required, written back

31st March, 2013		31st March, 2012	
Rs.	Rs.	Rs.	Rs.
	<b>50,34,788</b>		32,33,105
	<b>(86,60,794)</b>		71,45,430
	<b>—</b>		22,98,580
	<b>31,20,000</b>		26,60,000
	<b>75,80,693</b>		—
	<b>6,91,322</b>		10,78,041
	<b>—</b>		72,48,855
	<b>77,66,009</b>		<u>2,36,64,011</u>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)**

	Year ended 31st March, 2013	Year ended 31st March, 2012
	Rs.	Rs.
<b>21 COST OF RAW MATERIALS AND COMPONENTS CONSUMED</b>		
Pig iron/Ferrous Scrap	3,38,01,650	3,24,56,767
Cables & Winding wires	1,90,22,085	93,33,267
Pipes & Tubes	7,89,95,129	4,43,24,847
Steel Shafting	9,64,96,205	9,51,80,487
Bronze & other metal ingots	1,80,79,091	3,08,75,929
Motors, Engines & Starters	29,78,03,627	35,75,73,775
Valves	7,86,91,311	7,30,56,508
C.I. Castings	8,10,28,944	4,94,61,280
M.S. Sheets	12,44,92,838	22,35,40,611
Steel/Alloy Steel Castings	19,11,25,134	20,11,37,514
Spare & others	71,70,10,529	93,96,23,429
	<u>173,65,46,543</u>	<u>205,65,64,414</u>

	Year ended 31st March, 2013	Year ended 31st March, 2012
	Rs.	Rs.
<b>22 CHANGE IN INVENTORIES OF FINISHED GOODS &amp; WORK IN PROGRESS</b>		
Opening Stock :		
– Work in Progress	7,36,68,537	2,75,26,306
– Finished Goods	1,16,82,556	2,16,89,308
	8,53,51,093	4,92,15,614
Closing Stock :		
– Work in Progress	9,81,27,031	7,36,68,537
– Finished Goods	1,22,40,111	1,16,82,556
	11,03,67,142	8,53,51,093
	<u>(2,50,16,049)</u>	<u>(3,61,35,479)</u>

	Year ended 31st March, 2013	Year ended 31st March, 2012
	Rs.	Rs.
<b>23 EMPLOYEE BENEFIT EXPENSES</b>		
Salaries and Wages	15,29,78,961	14,51,35,890
Contribution to Provident and Other Funds	1,43,40,368	1,30,53,424
Contribution to Employees State Insurance Scheme	22,83,953	24,28,934
Staff Welfare Expense	1,26,65,849	1,12,03,672
	<u>18,22,69,131</u>	<u>17,18,21,920</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)

**24 FINANCE COST**

- a) Interest Expense\*
- b) Other Finance costs
- c) Applicable (Gain)/Loss on Foreign currency translation and transactions

\* Includes Rs. 4,19,49,629 on Fixed Loans, (2012 - Rs. 91,96,262)

Year ended 31st March, 2013	Year ended 31st March, 2012
Rs.	Rs.
9,77,63,682	7,88,66,178
1,93,70,240	3,03,23,519
<u>71,06,105</u>	<u>1,60,05,282</u>
<u>12,42,40,027</u>	<u>12,51,94,979</u>

**25 OTHER EXPENSES**

[Refer Note 26(g)]

- Consumption of Stores and Spare Parts
- Excise Duty
- Power and Fuel
- Erection Expenses
- Rent
- Rates & Taxes
- Postage & Telephone
- Repairs to Machinery
- Repairs to Buildings
- Repairs to others
- Insurance
- Travelling Expenses
- Loss on Commodity transactions (net)
- Loss on Sale of Fixed Assets
- Professional & Consultancy Fees
- Carriage Outward
- Advertisement
- Claims & Compensations etc. paid
- Dealer Discount
- Commission to other selling agents
- Service Charges
- Directors' Fees
- Commission to Directors
- Auditors' Remuneration
  - As Auditor
  - For Other Services
  - For Reimbursement of Expenses
- Miscellaneous Expenses
- Bad Debts written off

Year ended 31st March, 2013	Year ended 31st March, 2012
Rs.	Rs.
4,61,10,547	5,11,22,592
13,38,483	9,50,777
3,29,29,992	2,62,49,855
9,35,56,212	8,89,27,563
1,73,19,108	1,56,15,442
1,88,67,574	74,50,083
47,46,701	48,51,898
51,71,397	37,81,204
24,71,300	50,24,955
21,10,331	35,11,431
44,33,430	26,81,560
3,02,73,357	2,71,42,469
—	15,63,853
14,04,596	2,88,542
2,87,44,707	3,80,79,535
1,21,11,357	63,40,050
3,84,478	3,28,215
3,87,506	2,72,36,486
1,04,99,684	1,31,82,152
3,35,87,371	3,71,64,278
9,96,763	10,50,534
60,000	72,000
4,00,000	4,00,000
5,60,000	5,60,000
2,52,504	2,60,000
49,440	35,000
<u>8,61,944</u>	<u>8,55,000</u>
3,49,81,507	3,27,29,250
4,49,211	88,325
<u>38,41,97,556</u>	<u>39,66,88,049</u>



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)**

**26 OTHER INFORMATION**

- a) "Sale of Product" is stated net of returns in Financial Statements
- b) Estimated amount of contracts remaining unexecuted on Capital Account and not provided for (net of Advances Rs. 14,79,365),(2012. Rs. Nil)
- c) Claims against the Company not acknowledged as debts
- d) Contingent liabilities not provided for in the Financial Statements in respect of the following :
- Sales Tax matters under dispute
  - Excise Duty matters under dispute
  - Bank Guarantee outstanding
  - Corporate Guarantee outstanding

<b>31st March, 2013</b>	<b>31st March, 2012</b>
<b>Rs.</b>	<b>Rs.</b>
<b>10,60,816</b>	—
<b>1,55,14,956</b>	15,83,740
<b>17,16,402</b>	16,34,683
<b>2,53,19,271</b>	1,85,41,301
<b>1,92,752</b>	1,92,752
<b>50,60,95,210</b>	45,78,61,540
<b>114,95,61,600</b>	63,25,00,000

e) Accrued liability on account of Gratuity payable to the employees of the Company on retirement at future dates as per actuarial valuation as at 31st March, 2013 amounts to Rs. 2,30,97,562/- (2012 – Rs. 2,19,47,713/-). A total sum of Rs. 5,13,38,560/- (including Rs. 34,32,000/- during the current year) has been charged in the Financial Statements and paid to LIC by way of premium under Group Gratuity Scheme for its employees to cover current as well as past liability.

f) Warranty costs are accrued at the time the products are sold. Based on past experience, the provision is discharged over the contractual warranty period from the date of sale. During the year, Rs. 1,18,16,421/- have been incurred against earlier provisions, and Rs. 91,25,000/- have been provided.

g) Research and Development Expenses

Research and Deveopement Expenses relating to revenue nature aggregating to Rs. 74.32 lacs (2012 - Rs. 66.97 lacs) have been charged to respective heads of accounts in the Statement of Profit and Loss, and relating to capital nature aggregating to Rs. 3.78 lacs (2012 - Rs. Nil) have been capitalised under different heads in Fixed Assets in the Balance Sheet.

h) Earnings Per Share

Net Profit after Tax (Rs.)

Face Value per Share (Rs.)

Weighted average Number of Shares

Basic and Diluted Earnings Per Share (Rs.)

<b>31st March, 2013</b>	<b>31st March, 2012</b>
<b>Rs.</b>	<b>Rs.</b>
<b>18,74,99,955</b>	19,84,74,377
<b>10.00</b>	10.00
<b>79,67,080</b>	79,67,080
<b>23.53</b>	24.91

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## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)

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i) Disclosure on Joint Venture Entity :

a) Details of Joint Venture :

- Name of Joint Venture Entity : Clyde Pump India Private Limited
- Country of Incorporation : India
- Proportion of Ownership Interest : 40%

b) The Company's Financial interest in the Joint Venture :

	2012-13	2011-12
	(Rs. in Lacs)	(Rs. in Lacs)
- Shareholders' Fund	612.38	329.72
- Assets	1,197.01	641.37
- Liabilities	584.63	311.65
- Income	1,616.37	1,340.64
- Expenses	1,273.70	1,066.56

j) Related Party Transactions :

Related party disclosures as required under Accounting Standard - 18 on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India, as certified by the management, are given below :

A. Relationship

- i) Joint Venture
  - Clyde Pump India Private Limited (Clyde)
- ii) Subsidiaries
  - Sterling Pumps Pty Limited - Australia (Sterling)
  - WPIL International Ltd. - Singapore (WPIL-Sing.)
  - Mody Industries (F.C.) Private Limited (Mody)
- iii) Stepdown Subsidiaries
  - Mathers Foundry Limited, Manchester, U.K. (Mathers)
  - WPIL SA Holding Pty Limited
  - APE Pumps Pty Limited
  - Mather & Platt (SA) Pty Limited
  - PSV Services Pty Limited
  - PSV Properties 2 Pty Limited
  - PSV Zambia Limited (Zambia)
  - Global Pumps Services (FZE)
- iv) Key Management Personnel and their relatives
  - Mr. P. Agarwal : Managing Director
  - Mr. V. N. Agarwal : Director, Father of Mr. P. Agarwal
  - Mr. K. K. Ganeriwala : Executive Director
- v) Companies over which key management personnel or relatives are able to exercise control/significant influence control/significant influence
  - Bengal Steel Industries Limited (Bengal Steel)
  - Hindusthan Udyog Limited (HUL)
  - WPIL (Thailand) Company Ltd. (WPIL-Thy.)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)**

**B Disclosure of transactions with Related parties during the year.**

	Joint Venture	Subsidiary				Companies over which control/ significant influence of key management personnel exists			Key management personnel of the Company
	Clyde	Sterling	Mathers	Mody	WPIL -Sing	BengalSteel	HUL	WPIL-Thy	
Sale of Products	2,79,59,400 (2,03,12,398)	4,85,48,651 (44,91,329)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	2,63,36,892 (85,75,282)	2,97,03,611 (74,22,283)	— (—)
Purchase of Goods	2,46,804 (21,41,675)	1,45,399 (81,15,534)	— (Nil)	71,030 (Nil)	— (Nil)	— (Nil)	26,29,79,957 (26,03,79,048)	— (Nil)	— (Nil)
Rent paid	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	48,00,000 (48,00,000)	31,35,000 (30,80,000)	— (Nil)	— (Nil)
Dividend paid	—	—	—	—	—	—	77,23,318 (77,23,318)	—	3,92,884 (3,92,884)
Amenities paid	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	14,75,514 (13,72,366)	— (Nil)	— (Nil)
Commission payment	— (7,02,000)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)
Ellectricity charges paid	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	22,73,050 (23,52,649)	— (Nil)	— (Nil)	— (Nil)
Interest income	— (Nil)	10,01,894 (4,54,384)	— (Nil)	— (Nil)	28,79,662 (9,11,806)	— (Nil)	— (Nil)	— (Nil)	— (Nil)
Rent received	31,20,000 (26,60,000)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)
Service charge for Corporate Gurrantee	— (Nil)	— (Nil)	— (Nil)	— (Nil)	75,80,693 (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)
Sale of Fixed Assets	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	56,68,847 (Nil)	— (Nil)	— (Nil)
Investments made	— (Nil)	— (Nil)	— (Nil)	— (Nil)	5,11,50,960 (5,75,68,000)	— (Nil)	— (Nil)	— (Nil)	— (Nil)
Loans given	— (Nil)	— (1,57,59,000)	— (Nil)	— (Nil)	7,27,36,070 (2,42,43,000)	— (Nil)	— (Nil)	— (Nil)	— (Nil)
Remuneration, Commission and Sitting Fees - Mr. P. Agarwal	—	—	—	—	—	—	—	—	43,58,769 (42,15,222)
- Mr. K. K. Ganeriwala	—	—	—	—	—	—	—	—	29,70,122 (29,28,896)
- Mr. V. N. Agarwal	—	—	—	—	—	—	—	—	1,08,000 (1,12,000)
As at March 31st, 2013	1,72,31,608	1,42,85,537	—	—	75,80,693	—	88,14,781	2,63,16,898	—
Trade Receivables	(1,19,24,375)	(2,08,757)	(Nil)	(Nil)	(Nil)	(Nil)	(43,94,860)	(24,83,716)	(Nil)
Trade Payables	4,88,335 (4,88,335)	10,82,523 (8,91,094)	— (Nil)	71,030 (Nil)	— (Nil)	1,93,019 (Nil)	10,90,71,385 (10,88,50,640)	— (Nil)	— (Nil)
Interest receivable	— (Nil)	7,12,730 (4,54,384)	— (Nil)	— (Nil)	38,08,506 (9,11,806)	— (Nil)	— (Nil)	— (Nil)	— (Nil)
Investments	40,00,000 (40,00,000)	2,11,81,500 (2,11,81,500)	— (Nil)	24,50,06,125 (Nil)	10,87,18,960 (5,75,68,000)	— (Nil)	— (Nil)	— (Nil)	— (Nil)
Loan outstanding	— (Nil)	1,68,60,000 (1,57,59,000)	— (Nil)	— (Nil)	9,54,62,000 (2,42,43,000)	— (Nil)	— (Nil)	— (Nil)	— (Nil)
Corporate Gurrantee outstanding	— (Nil)	— (Nil)	— (Nil)	— (Nil)	114,95,61,600 (63,25,00,000)	— (Nil)	— (Nil)	— (Nil)	— (Nil)
Personal Gurrantee issued (by Mr. P. Agarwal)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	30,00,00,000 (30,00,00,000)
Bank Gurrantee issued	— (Nil)	— (Nil)	1,38,74,000 (2,31,36,728)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)

Figures in bracket indicate previous year's figure.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)**

k) Disclosure required under Accounting Standard (AS) - 15 (Revised) are as follows :

(Rupees in Lacs)

	Year ended 31st March, 2013		Year ended 31st March, 2012		
	Gratuity	Leave Encash- ment	Gratuity	Leave Encash- ment	
<b>A) Components of Employer Expenses :-</b>					
1. Current Service Cost	18.08	2.95	16.21	1.86	
2. Interest Cost	17.56	5.74	18.28	5.62	
3. Expected Return on Plan Assets	(1.14)	—	(0.65)	—	
4. Actuarial (Gain)/Loss	11.00	18.43	(0.81)	7.90	
5. Past Service Cost	—	—	—	—	
6. Expenses recognized in the Statement of Profit and Loss	45.50	27.12	33.03	15.38	
<b>B) Net Assets/(Liability) recognised in the Balance Sheet as at 31st March :-</b>					
1. Present value of obligation as at 31st March	230.98	87.87	219.48	71.70	
2. Fair value of Plan Assets as at 31st March	(11.15)	—	(12.50)	—	
3. (Assets)/Liability recognized in the Balance Sheet	219.83	87.87	206.98	71.70	
<b>C) Change in the Defined Benefit Obligation (DBO) during the year ended 31st March :-</b>					
1. Present value of obligation at the beginning of the year	219.48	71.70	215.05	66.13	
2. Current Service Cost	18.08	2.95	16.21	1.86	
3. Interest Cost	17.56	5.74	18.28	5.62	
4. Past Service Cost	—	—	—	—	
5. Actuarial (Gain)/Loss	10.65	18.43	0.35	7.90	
6. Benefits paid	(34.79)	(10.95)	(30.41)	(9.81)	
7. Present value of obligation at the end of the year	230.98	87.87	219.48	71.70	
<b>D) Change in the Fair Value of Plan Assets :-</b>					
1. Plan Assets at the beginning of the year	12.50	—	7.62	—	
2. Actual return on Plan Assets	1.14	—	0.65	—	
3. Actuarial gain/(loss) on plan assets	(0.36)	—	1.16	—	
4. Actual Company's contribution	32.65	10.95	33.48	9.81	
5. Benefits paid	(34.79)	(10.95)	(30.41)	(9.81)	
6. Fair value of Plan Assets at the end of the year	11.15	—	12.50	—	
<b>E) Actuarial assumptions :-</b>					
1. Discount rate (p.a.)	8.00%	8.00%	8.50%	8.25%	
2. Expected rate of return (p.a.)	9.15%	N.A	9.15%	N.A	
3. Salary escalation (p.a.)	5.00%	5.00%	5.00%	5.00%	
<b>F) Experience adjustment on account of actuarial assumption of Gratuity :</b>					
	<b>2012-13</b>	2011-12	2010-11	2009-10	2008-09
1. Defined Benefit Obligation as at 31st March	230.98	219.48	215.05	213.07	200.01
2. Plan Asset as at 31st March	11.15	12.50	7.62	11.25	11.13
3. Surplus/(Deficit)	(219.83)	(206.98)	(207.43)	(201.82)	(188.88)
4. Experience adjustment on Plan Assets	(0.36)	1.16	—	—	—
5. Experience adjustment on Plan Liabilities	10.65	3.45	(41.86)	(23.82)	(14.72)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)**

	2012-13 (Rs.)	2011-12 (Rs.)
I) Segment Reporting : <b>By Geographical Segment</b>		
<b>Segment Revenue</b>		
- India	230,75,05,254	279,91,84,461
- Outside India	46,15,90,771	26,83,35,935
Total	<b>276,90,96,025</b>	306,75,20,396
<b>Segment Asset</b>		
- India	151,80,37,505	153,32,45,344
- Outside India	22,79,31,246	5,87,56,215
Total	<b>174,59,68,751</b>	159,20,01,559

Notes :

- The Company is primarily engaged in the business of design, development, manufacture, marketing, installation and servicing of vertical and horizontal pumps of various sizes required for lift irrigation/major irrigation schemes, thermal /nuclear power plants etc., and accordingly there are no business segment. The primary segment is geographical based on location of customer, i.e. domestic and export sales.
  - The segmentwise revenue and asset figures relate to amounts directly identifiable to each of the segments. The operating facilities of the Company are situated in India and are common for production of both domestic and export market.
- m) **Value of Raw Materials and Components consumed are as follows :**

	Year ended 31.03.2013		Year ended 31.03.2012	
	Percentage	Value Rs.	Percentage	Value Rs.
(i) Indigenous	93%	161,16,20,001	96%	197,61,17,349
(ii) Imported	7%	12,49,26,542	4%	8,04,47,065
	<b>100%</b>	<b>173,65,46,543</b>	<b>100%</b>	<b>205,65,64,414</b>
n) <b>Value Stores and Spare Parts Consumed</b> (100% indigenous)	<b>100%</b>	<b>4,61,10,547</b>	<b>100%</b>	<b>5,11,22,592</b>
		<b>Year ended 31.03.2013</b>		<b>Year ended 31.03.2012</b>
o) <b>Expenditure in Foreign Currency in connection with</b>		<b>Rs.</b>		<b>Rs.</b>
(i) Foreign Business Tour		58,30,417		4,370,764
(ii) Professional Fees		—		5,223,204
(iii) Commission expenses		1,96,39,438		26,897,815
(iv) Interest expenses		1,14,43,326		—
(v) Others		18,70,284		1,503,975
		<b>3,87,83,465</b>		<b>37,995,758</b>

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## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)

	Year ended 31.03.2013 Rs.	Year ended 31.03.2012 Rs.
<b>p) Earning in Foreign Exchange in respect of :</b>		
(i) F. O. B value of Exports	44,93,70,528	26,52,65,535
(ii) Interest income	38,81,556	13,66,190
(iii) Others	83,38,687	17,04,210
	<u>46,15,90,771</u>	<u>26,83,35,935</u>
<b>q) C.I.F. Value of Imports :</b>		
(i) Raw Materials	12,50,52,696	7,45,79,023
(ii) Machinery	1,22,06,024	97,11,535
	<u>13,72,58,720</u>	<u>8,42,90,558</u>
	<u>2012-13</u>	<u>2011-12</u>
<b>r) Dividend remitted to Non-resident Shareholders in Foreign Currency :</b>		
(i) Number of Non – resident shareholders	20	15
(ii) Number of Shares held by Non – resident shareholders	19,998	2,933
(iii) Amount remitted for the year (Rs.)	39,996	5,866
(iv) Financial year to which Dividend relates	2011 - 12	2010 - 11

Previous year's figures have been rearranged/regrouped wherever found necessary.

Signature to Notes 1 to 26.

Place : Kolkata  
Date : May 13, 2013

For V. Singhi & Associates  
Chartered Accountants  
Registration no. 311017E  
  
(V. K. SINGHI)  
Partner  
Membership no. 50051

PRAKASH AGARWAL  
K.K. GANERIWALA  
U. CHAKRAVARTY

Managing Director  
Executive Director  
General Manager (Finance)  
& Company Secretary

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31ST MARCH, 2013**

	Year ended		Year ended	
	31st March, 2013		31st March, 2012	
	Rs.	Rs.	Rs.	Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>				
<b>Net Profit before Tax and Extraordinary Items</b>		<b>27,19,06,413</b>		29,63,80,475
Adjustment for:				
(Profit)/Loss on sale of Fixed Assets	<b>14,04,595</b>		2,88,542	
(Gain)/Loss on Foreign Exchange	—		69,15,564	
Depreciation	<b>2,04,56,432</b>		1,97,48,672	
Interest income	<b>(50,34,788)</b>		(32,33,105)	
Liabilities no longer required written back	—		(72,48,855)	
Bad debts/Advances written off	<b>9,24,057</b>		88,325	
Interest charge	<b>9,77,63,682</b>	<b>11,55,13,978</b>	7,88,66,178	9,54,25,321
<b>Operating Profit before Working Capital Changes</b>		<b>38,74,20,391</b>		39,18,05,796
Adjustment for:				
Trade and other receivables	<b>(21,25,17,359)</b>		(43,49,97,307)	
Inventories	<b>4,14,16,342</b>		(15,56,06,911)	
Trade payables	<b>4,63,69,502</b>	<b>(12,47,31,515)</b>	24,63,00,366	(34,43,03,852)
<b>Cash Generated from Operations</b>		<b>26,26,88,876</b>		4,75,01,944
Tax paid		<b>(8,76,77,306)</b>		(9,65,28,777)
<b>Net Cash from Operating Activities</b>		<b>17,50,11,570</b>		(4,90,26,833)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>				
Purchase of Fixed Assets	<b>(3,17,20,049)</b>		(5,23,15,635)	
Sale of Fixed Assets	<b>56,68,847</b>		4,44,232	
Purchase of Investments	<b>(29,61,57,085)</b>		(7,87,49,500)	
Interest Received	<b>18,95,323</b>		16,45,424	
<b>Net Cash used in Investing Activities</b>		<b>(32,03,12,964)</b>		(12,89,75,479)

**WPIL**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31ST MARCH, 2013**

	Year ended 31st March, 2013		Year ended 31st March, 2012	
	Rs.	Rs.	Rs.	Rs.
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>				
Proceeds from Long Term Borrowing	18,47,933		30,12,53,000	
Repayments of Long Term Borrowing	(6,01,677)		(2,68,224)	
Proceeds from Short Term Borrowing	52,55,69,880		13,48,16,316	
Repayments of Short Term Borrowing	(26,00,00,000)		(15,71,59,806)	
Dividend paid	(1,57,30,192)		(1,61,45,991)	
Dividend Tax paid	(25,84,919)		(25,84,920)	
Interest paid	(9,68,46,848)		(7,48,16,587)	
<b>Net Cash used in Financing Activities</b>	<b>15,16,54,177</b>		<b>18,50,93,788</b>	
Net Increase/(Decrease) in Cash and Cash Equivalents	63,52,783		70,91,476	
Cash and Cash Equivalents (Opening balance)	1,78,13,301		1,07,21,825	
Cash and Cash Equivalents (Closing balance)	2,41,66,084		1,78,13,301	

**Notes:** 1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement notified by the Companies (Accounting Standards)

	31.03.2013	31.03.2012
	Rs.	Rs.
2. Cash & cash equivalents include :		
- Cash in hand	28,64,538	40,55,207
- With Scheduled Banks :		
On Current Accounts	1,55,57,177	72,91,393
On Unclaimed Dividend A/C	7,44,369	5,40,401
On Fixed Deposit A/cs	50,00,000	59,26,300
	<b>2,41,66,084</b>	<b>1,78,13,301</b>

3. Previous year's figures have been regrouped/rearranged wherever found necessary.  
This is the Cash Flow Statement referred to in our Report of even date.

Place : Kolkata	For V. Singhi & Associates Chartered Accountants Registration no. 311017E	PRAKASH AGARWAL	Managing Director
Date : May 13, 2013	(V. K. SINGHI) Partner Membership no. 50051	K.K. GANERIWALA	Executive Director
		U. CHAKRAVARTY	General Manager (Finance) & Company Secretary



## **INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF WPIL LIMITED**

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We have audited the accompanying consolidated financial statements of WPIL Limited (“the Company”) and its subsidiaries and joint ventures, which comprise the consolidated Balance Sheet as at 31st March, 2013, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management’s Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the Company’s preparation and fair presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Report on Financial Statements**

1. The Financial Statements of subsidiaries namely WPIL International Pte Limited (Singapore), Mathers Foundry Limited (United Kingdom), WPIL SA Holding Pty Limited (South Africa), APE Pumps Pty Limited, Mather & Platt (SA) Pty Limited, PSV Services Pty Limited, PSV Properties 2 Pty Limited, and Mody Industries (FC) Private Limited (India), and Joint venture namely WPIL (Thailand) Co. Limited (Thailand) have not been audited by us. These Financial Statements have been audited by other auditors as appointed under the respective laws.
2. We have relied on the unaudited Financial Statements of the Subsidiary Companies namely Sterling Pumps Pty Limited (Australia), and PSV Zambia Limited (Zambia), and the Joint Venture Company namely Clyde Pump India Private Limited. Their Financial Statements reflect the Group’s share of Total Assets of Rs. 4,142.96 Lakhs as at 31st March, 2013 and the Group’s share of Total Revenues of Rs. 5,495.97 Lakhs for the year ended on that date, and Net Cash Outflows of Rs. 115.91 Lakhs for the year ended on that date. These Financial Statements and other financial information have been derived from the Unaudited Financial

## WPIL

### INDEPENDENT AUDITOR'S REPORT (contd.)

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Statements furnished to us and in our opinion, in so far as it relates to the amounts included in respect of the subsidiary and joint venture, is based solely on the "Fit for Consolidation Report" of the Management.

3. The Financial Statements of subsidiaries and joint ventures, whose financial statements reflect the Group's share of Total Assets of Rs. 25,341.23 Lakhs as at 31st March, 2013 and the Group's share of Total Revenues of Rs. 27,423.74 Lakhs for the year ended on that date, and Net Cash Inflows of Rs. 199.45 Lakhs for the year ended on that date have not been audited by us.
4. The Financial Statements of the foreign entities have been restated, where considered necessary, to comply with Generally Accepted Accounting Principles in India. Disclosures in respect of the above mentioned Financial Statements are given to the extent of available information.
5. Our opinion on the figures included in the aforesaid results relating to subsidiaries and joint ventures to the extent not audited/reviewed by us have been formed based on the reports received by other auditors/management of the Company.
6. We report that the Consolidated Financial Statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard 21 – "Consolidated Financial Statements" and Accounting Standard 27- "Financial Reporting of Interests in Joint Ventures" and other applicable Accounting Standards as notified by the Companies (Accounting Standard) Rules, 2006.

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (ii) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- (iii) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Four Mangoe Lane  
Surendra Mohan Ghosh Sarani  
Kolkata 700 001

Date : May 13, 2013

For V. Singhi & Associates  
Chartered Accountants  
Firm Registration No. 311017E

(V. K. SINGHI)  
Partner  
Membership No. 50051

**CONSOLIDATED BALANCE SHEET**  
AS AT 31ST MARCH, 2013

	Note No.	31st March, 2013		31st March, 2012	
		Rs.	Rs.	Rs.	Rs.
<b>I. EQUITY AND LIABILITIES</b>					
<b>1) Shareholders' Funds</b>					
a) Share Capital	2	7,96,70,800		7,96,70,800	
b) Reserves and Surplus	3	102,54,89,091	110,51,59,891	65,09,27,313	73,05,98,113
<b>2) Minority Interest</b>					
			26,68,68,121		10,62,30,223
<b>3) Non - Current Liabilities</b>					
a) Long - Term Borrowings	4	98,60,21,274		85,64,97,650	
b) Deferred Tax Liabilities (net)	5	1,28,78,973		2,68,89,174	
c) Other Long Term Liabilities	6	—		3,24,540	
d) Long -Term Provisions	7	73,50,968	100,62,51,215	62,95,586	89,00,06,950
<b>4) Current Liabilities</b>					
a) Short -Term Borrowings	8	62,85,14,247		46,00,78,289	
b) Trade Payables	9	89,35,20,857		90,41,28,205	
c) Other Current Liabilities	10	88,04,37,827		32,68,96,410	
d) Short -Term Provisions	11	4,45,75,926	244,70,48,857	3,74,77,054	172,85,79,958
Total			482,53,28,084		345,54,15,244
<b>II. ASSETS</b>					
<b>1) Non - Current Assets</b>					
a) Fixed Assets	12				
i) Tangible Assets		94,40,97,240		74,67,83,580	
ii) Intangible Assets		42,30,14,453		5,99,516	
iii) Capital Work-in-Progress		1,70,33,598		6,238	
		138,41,45,291		74,73,89,334	
b) Non - Current Investments	13	16,000		16,000	
c) Long - Term Loans and Advances	14	5,39,62,122	143,81,23,413	5,25,96,097	80,00,01,431
<b>2) Current Assets</b>					
a) Inventories	15	73,79,55,779		51,43,84,264	
b) Trade Receivables	16	221,38,98,226		190,74,00,582	
c) Cash and Cash Equivalents	17	12,48,53,321		7,96,97,695	
d) Short - Term Loans and Advances	18	21,30,38,964		14,01,98,675	
e) Other Current Assets	19	9,74,58,381	338,72,04,671	1,37,32,597	265,54,13,813
Total			482,53,28,084		345,54,15,244

Significant Accounting Policies 1

The accompanying Notes form an integral part of the Financial Statements

As per our Report of even date

For V. Singhi & Associates

Chartered Accountants

Registration no. 311017E

(V. K. SINGHI)

Partner

Membership no. 50051

PRAKASH AGARWAL

K.K. GANERIWALA

U. CHAKRAVARTY

Managing Director

Executive Director

General Manager (Finance)  
& Company Secretary

Place : Kolkata

Date : May 13, 2013

# WPIL

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

	Note No.	Year ended 31st March, 2013		Year ended 31st March, 2012	
		Rs.	Rs.	Rs.	Rs.
<b>I. Revenue from Operations</b>	20	<b>518,36,57,497</b>		374,35,31,730	
Less : Excise Duty		<b>8,80,14,906</b>	<b>509,56,42,591</b>	<u>6,09,21,377</u>	368,26,10,353
<b>II. Other Income</b>	21		<b>24,34,05,476</b>		5,07,75,359
<b>III. Total Revenue (I + II)</b>			<b>533,90,48,067</b>		<u>373,33,85,712</u>
<b>IV. Expenses</b>					
Cost of Raw Materials and Components consumed	22		<b>307,13,68,246</b>		236,37,45,491
Changes in Inventories of Finished Goods and Work in Progress :	23		<b>(12,48,64,519)</b>		(4,75,82,534)
Employee Benefits Expenses	24		<b>67,15,50,780</b>		36,03,74,080
Finance Cost	25		<b>19,38,36,429</b>		14,31,00,970
Depreciation		<b>6,75,97,185</b>		2,51,01,127	
Less: Transferred from Revaluation Reserve		<b>2,20,268</b>	<b>6,73,76,917</b>	<u>14,09,611</u>	2,36,91,516
Other Expenses	26		<b>77,87,55,973</b>		<u>55,40,60,438</u>
			<b>465,80,23,826</b>		<u>339,73,89,961</u>
<b>V. Profit before tax (III - IV)</b>			<b>68,10,24,241</b>		<u>33,59,95,751</u>
<b>VI. Tax expense</b>					
- Current Tax		<b>11,39,09,638</b>		9,27,00,000	
- Tax adjustment of previous year		<b>75,96,902</b>		<u>6,46,881</u>	
		<b>12,15,06,541</b>		9,33,46,881	
- Deferred Tax		<b>74,37,885</b>		<u>45,59,217</u>	
		<b>12,89,44,425</b>		9,79,06,098	
- Share of Joint Ventures		<b>60,00,000</b>	<b>13,49,44,425</b>	<u>86,56,303</u>	<u>10,65,62,401</u>
<b>Profit after tax before share of Minority Interests for the year (V - VI)</b>			<b>54,60,79,816</b>		<u>22,94,33,350</u>
<b>Less: Minority Interests</b>			<b>13,65,05,022</b>		<u>56,30,228</u>
<b>Profit for the year</b>			<b>40,95,74,794</b>		<u>22,38,03,122</u>
<b>Earnings per share (Face value of Rs 10/- each)</b>					
(a) Basic			51.41		28.09
(a) Diluted			51.41		28.09

Significant Accounting Policies

1

The accompanying Notes form an integral part of the Financial Statements

	As per our Report of even date		
	For V. Singhi & Associates		
	Chartered Accountants	PRAKASH AGARWAL	Managing Director
	Registration no. 311017E	K.K. GANERIWALA	Executive Director
	(V. K. SINGHI)	U. CHAKRAVARTY	General Manager (Finance)
Place : Kolkata	Partner		& Company Secretary
Date : May 13, 2013	Membership no. 50051		

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

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### 1 SIGNIFICANT ACCOUNTING POLICIES

#### 1. ACCOUNTING CONVENTION

The Financial Statements are prepared in accordance with historical cost convention, modified by revaluation of certain fixed assets.

#### 2. FIXED ASSETS AND DEPRECIATION

Fixed Assets are stated at cost except for certain assets which were revalued and shown at valuation as per Valuer's Certificate.

Cost includes inward freight, duties, taxes and expenses incidental to acquisition and installation. In respect of self-constructed fixed assets, cost includes value of materials, labour and proportionate allocable overheads.

In respect of revalued assets the difference between written down value of assets and its valuation is transferred to Revaluation Reserve.

No depreciation is provided on Freehold Land. Value of Leasehold Land is amortized over the period of lease. In respect of other assets, depreciation is provided in the financial statements on written down value method in respect of assets acquired up to 31st December, 1969 and on straight-line method in respect of other assets, at the rates prescribed in Schedule XIV to the Companies Act, 1956.

Depreciation on differential increase in values arising out of revaluation is recouped from Revaluation Reserve.

Tangible Fixed Assets of subsidiary Companies are depreciated as per prevalent policy of the respective Companies. In case of a subsidiary company where it is depreciated using straight line-method over their expected useful lives on the following basis:

Freehold Buildings	–	over 25 to 50 years
Plant & Machinery	–	over 4 to 20 years
Fixtures, Fittings and Equipment	–	over 4 to 20 years

The excess of the cost to the Company of its investment in its subsidiaries over its share of Capital and Reserves of the subsidiaries are treated as goodwill. The Goodwill is disclosed as an asset in the consolidated balance sheet.

Intangible Assets are amortized to the Statement of Profit and Loss over its estimated economic life.

#### 3. IMPAIRMENT OF ASSETS

The Company identifies impairable assets at the year end in accordance with the guiding principles of Accounting Standard - 28, issued by the Institute of Chartered Accountants of India, for the purpose of arriving at impairment loss thereon, being the difference in the book value and the recoverable value of the relevant assets. Impairment loss, when crystallises, are charged against revenues for the year.

#### 4. LEASING

A Subsidiary Company has obtained Assets under hire purchase contracts and finance leases are capitalized as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Company. Obligations under such agreements are included in creditors net of the finance charges allocated to future periods. The finance element of the rental payment is charged to the Statement of Profit and Loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals under operating leases are charged to the Statement of Profit and Loss on a straight line basis over the lease term.

### SIGNIFICANT ACCOUNTING POLICIES (contd.)

#### 5. INVESTMENTS

Long term investments are stated at cost unless there is a permanent diminution in value.

#### 6. INVENTORIES

Finished Goods and Components are valued at cost (Net of CENVAT Credit) or net realizable value, whichever is lower. Other inventories are valued at cost or net realizable value, whichever is lower.

Cost is determined on weighted average basis and includes expenditure incurred in the normal course of business in bringing stocks and finished goods to their location and condition including appropriate overheads wherever applicable.

Cost of own manufactured components is determined by considering raw material cost and proportionate share of labour and overheads.

Cost of Work-in-progress is determined by considering raw material cost plus labor and overheads apportioned on an estimated basis depending upon the stages of completion, except in case of a subsidiary company where it is valued at cost or realizable value whichever is lower.

#### 7. RESEARCH & DEVELOPMENT EXPENSES

Revenue Expenditure on Research and Development are charged to the Statement of Profit and Loss of the year in which it is incurred. Capital Expenditure is considered as addition to Fixed Assets and depreciated as stated above.

#### 8. FINANCIAL DERIVATIVES AND HEDGING TRANSACTIONS

Financial derivatives and hedging contracts are accounted on the date of their settlement, and realized gain/incurred loss in respect of contracts is recognized in the Statement of Profit and Loss along with the underlying transactions.

#### 9. FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies are recorded at exchange rates ruling on the date of the transaction.

Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.

Non-monetary foreign currency items are carried at cost.

Gain or Loss on settled transactions are recognized in the Statement of Profit and Loss except for purchase of fixed assets which are adjusted to carrying amount of fixed assets. Unsettled transactions as at the year end are translated at the closing rate and the gain or loss is recognized in the Statement of Profit and Loss except for liabilities incurred for purchase of fixed assets which are adjusted to the carrying amount of fixed assets.

#### 10. RETIREMENT BENEFITS

The Company contributes to Provident Fund and Superannuation Fund which is administered by duly constituted and approved independent Trust/Government and such contributions are charged against revenues every year.

Accrued liability in respect of retirement gratuities are actuarially ascertained at the year end. The Company has created a Gratuity Fund under Group Gratuity Scheme of L.I.C.I. under which yearly premium is being paid to take care of current as well as past liability. The annual premium is charged to the Financial Statements.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013**

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**SIGNIFICANT ACCOUNTING POLICIES (contd.)**

Accrued liability in respect of leave encashment benefits on retirement is actuarially ascertained at the year end as per the requirement of Accounting Standard – 15 (Revised) on Employee Benefit and provided for in the Financial Statements.

A subsidiary Company operates a defined contribution pension scheme and the pension charge represents the amount payable by the Company to the fund in respect of the year.

**11. GOVERNMENT GRANTS**

In case of a Subsidiary Company, Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Profit and Loss over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Profit and Loss as the related expenditure is incurred.

**12. INCOME**

Turnover is stated inclusive of discounts, but net of sales tax and excise duty and represents the invoiced value of goods delivered during the year.

Income from installation and servicing is recognized in the financial statements on completion of the job or as per stipulations in the contract and the expenditure incurred but not invoiced is carried forward as work-in-progress.

**13. BORROWING COST**

Borrowing costs incurred in relation to acquisition or construction of assets which necessarily takes substantial period of time to get ready for intended use are capitalized/allocated as part of such assets. Other borrowing costs are charged as expenses in the year in which the same are incurred.

**14. TAXES ON INCOME**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is calculated at current statutory income tax rates as applicable and is recognised on timing difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred tax assets subject to consideration to prudence are recognised and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**15. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the Financial Statements.

Cost of Product Warranties including provisions are included under the head “Miscellaneous Expenses”, which includes cost of raw materials and components for free replacement of spares, and other overheads.

**16. PRINCIPLES OF CONSOLIDATION**

The Consolidated Financial Statements relate to WPIL Limited (the Company), its Subsidiaries and Joint Ventures (the groups). The Consolidated Financial Statements are in conformity with Accounting Standard 21 on “Consolidated

# WPIL

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)

### SIGNIFICANT ACCOUNTING POLICIES (contd.)

Financial Statements” and Accounting Standard-27 on “Financial Reporting of Interests in Joint Ventures” as notified under the Companies (Accounting Standards) Rules, 2006 and are prepared as set out below:

- The Financial Statements of the Company and its subsidiaries are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after adjustments/elimination of inter-company balances, transactions including unrealized profit etc.
- The Consolidated Financial Statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances in all material respect and are presented to the extent practicable and possible, in the same manner as the Company’s separate financial statements.
- The difference between the cost of investments in the Subsidiaries, over its portion of equity at the time of acquisition of shares is recognized in the Consolidated Financial Statements as Goodwill or Capital Reserve, as the case may be.
- The translation of the functional currencies into Indian Rupees (reporting currency) is performed for equity in the foreign subsidiaries, assets and liabilities using the closing exchange rate at the Balance Sheet date, and for revenues, costs and expenses using average exchange rates prevailing during the period. The resultant exchange difference arising out of such transactions is recognized as part of equity (Foreign Currency Translation Reserve Account) by the Company until the disposal of investment.
- Interest in Joint Ventures is reported using proportionate consolidation method in the consolidated Financial Statements. A separate line item is added in the consolidated Financial Statements for proportionate share of assets, liabilities, income and expenses.

	31st March, 2013	31st March, 2012
	Rs.	Rs.
<b>2 SHARE CAPITAL</b>		
<b>(a) Authorised</b>		
98,60,000 Ordinary Shares of Rs. 10/- each	<b>9,86,00,000</b>	9,86,00,000
14,000 11% Redeemable Cumulative Preference Shares of Rs. 100/- each	<b>14,00,000</b>	14,00,000
	<b><u>10,00,00,000</u></b>	<u>10,00,00,000</u>
<b>(b) Issued, Subscribed and Paid Up</b>		
79,67,080 Ordinary Shares of Rs. 10/- each fully paid up	<b><u>7,96,70,800</u></b>	<u>7,96,70,800</u>



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)**

	31st March, 2013		31st March, 2012	
	Rs.	Rs.	Rs.	Rs.
<b>3 RESERVES AND SURPLUS</b>				
a) Capital Reserve on Re-issue of forfeited shares As per last Financial Statement		<b>3,500</b>		3,500
b) Capital Redemption Reserve As per last Financial Statement		<b>14,00,000</b>		14,00,000
c) Capital Reserve on Consolidation As per last Financial Statement	<b>2,07,34,075</b>		2,07,34,075	
Less: Adjusted on consolidation during the year	<b>2,07,34,075</b>	—	—	2,07,34,075
d) Revaluation Reserve As per last Financial Statement	<b>55,39,498</b>		69,49,109	
Less: Transferred to Statement of Profit and Loss	<b>2,20,268</b>	<b>53,19,230</b>	14,09,611	55,39,498
e) General Reserve As per last Financial Statement	<b>34,37,15,302</b>		19,37,15,302	
Add : Transfer from Surplus	<b>15,62,84,698</b>	<b>50,00,00,000</b>	15,00,00,000	34,37,15,302
f) Surplus As per last Financial Statement	<b>26,50,14,609</b>		20,96,69,021	
Add : Excess provision for Tax on Dividend for the year 2011 written back	—		61,545	
	<b>26,50,14,609</b>		20,97,30,566	
Add : Profit for the year as per Statement of Profit and Loss (Including Share of Joint Ventures Rs. 2,83,27,883/-)	<b>40,95,74,794</b>		22,38,03,122	
	<b>67,45,89,403</b>		43,35,33,688	
Less : Appropriations				
- Transfer to General Reserve	<b>15,62,84,698</b>		15,00,00,000	
- Proposed Dividend	<b>1,59,34,160</b>		1,59,34,160	
- Tax on Dividend	<b>27,08,010</b>	<b>49,96,62,535</b>	25,84,919	26,50,14,609
g) Foreign Exchange Translation Reserve As per last Financial Statement	<b>42,85,039</b>		42,85,039	
Add: For the year	<b>(1,38,60,198)</b>	<b>(95,75,160)</b>	—	42,85,039
<b>Share of Joint Ventures</b>		<b>2,86,78,986</b>		1,02,35,290
		<b>102,54,89,091</b>		65,09,27,313

	31st March, 2013		31st March, 2012	
	Rs.	Rs.	Rs.	Rs.
<b>4 LONG TERM BORROWINGS</b>				
<b>Secured :</b>				
Term Loans:				
a) From Banks	<b>76,04,49,744</b>		49,63,57,943	
Less: Repayable within one year	<b>9,13,43,096</b>	<b>66,91,06,648</b>	<u>2,47,35,072</u>	47,16,22,871
b) From Others	<b>31,87,04,175</b>		30,28,59,619	
Less: Repayable within one year	<b>20,26,73,479</b>	<b>11,60,30,696</b>	<u>—</u>	30,28,59,619
<b>Unsecured :</b>				
– From Corporate Bodies		<b>20,00,00,000</b>		8,00,00,000
<b>Share of Joint Ventures</b>		<b>8,83,930</b>		<u>20,15,160</u>
		<b>98,60,21,274</b>		<u>85,64,97,650</u>
<b>5 DEFERRED TAX LIABILITIES (Net)</b>				
a) Deferred Tax Liabilities :				
– Depreciation on Fixed Assets		<b>4,21,68,338</b>		3,15,10,242
b) Deferred Tax Assets :				
– Employees Benefits	<b>24,37,001</b>		40,85,219	
– Others	<b>2,49,22,778</b>	<b>2,73,59,779</b>	<u>2,02,942</u>	42,88,161
<b>Share of Joint Ventures</b>		<b>(19,29,586)</b>		<u>(3,32,907)</u>
		<b>1,28,78,973</b>		<u>2,68,89,174</u>
<b>6 OTHER LONG TERM LIABILITIES</b>				
Government grants		—		<u>3,24,540</u>
		—		<u>3,24,540</u>
<b>7 LONG TERM PROVISIONS</b>				
- Leave Encashment		<b>70,46,757</b>		62,95,586
- Gratuity		<b>3,04,211</b>		—
		<b>73,50,968</b>		<u>62,95,586</u>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)**

	31st March, 2013		31st March, 2012	
	Rs.	Rs.	Rs.	Rs.
<b>8 SHORT TERM BORROWINGS</b>				
<b>LOANS REPAYABLE ON DEMAND</b>				
(a) Secured				
Cash Credit from Banks		<b>48,62,07,758</b>		33,59,76,403
(b) Unsecured				
Short Term Loans from :				
- Banks	<b>9,26,60,495</b>		9,73,21,970	
- Others	<b>4,96,45,994</b>	<b>14,23,06,489</b>	2,67,79,916	12,41,01,886
		<b>62,85,14,247</b>		46,00,78,289
<b>9 TRADE PAYABLES</b>				
a) Acceptances		<b>9,01,07,133</b>		12,29,39,201
b) Sundry Creditors		<b>79,13,72,806</b>		76,26,14,585
<b>Share of Joint Ventures</b>		<b>1,20,40,918</b>		1,85,74,419
		<b>89,35,20,857</b>		90,41,28,205
<b>10 OTHER CURRENT LIABILITIES</b>				
a) Current Maturities of Loans (Refer note 4)		<b>29,40,16,575</b>		2,47,35,072
b) Advance from Customers		<b>42,19,24,623</b>		19,34,33,564
c) Interest accrued but not due on loans		<b>60,00,067</b>		49,68,287
d) Unclaimed Dividends		<b>7,44,369</b>		5,40,401
e) Other Payables				
- Statutory Liabilities	<b>5,77,02,013</b>		3,18,22,898	
- Deposits	<b>10,84,721</b>		11,06,000	
- Others	<b>7,76,18,833</b>	<b>13,64,05,567</b>	6,64,69,356	9,93,98,254
<b>Share of Joint Ventures</b>		<b>2,13,46,626</b>		38,20,832
		<b>88,04,37,827</b>		32,68,96,410
<b>11 SHORT TERM PROVISIONS</b>				
a) For Proposed Dividend		<b>1,59,34,160</b>		1,59,34,160
b) For Tax on Proposed Dividend		<b>27,08,010</b>		25,84,919
c) For Leave Encashment		<b>62,76,972</b>		8,74,172
d) For Warranties		<b>91,25,000</b>		1,01,86,108
e) For Others		<b>12,00,131</b>		—
<b>Share of Joint Ventures</b>		<b>93,31,653</b>		78,97,695
		<b>4,45,75,926</b>		3,74,77,054

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)

12 FIXED ASSETS

	GROSS BLOCK			DEPRECIATION			NET BLOCK						
	Cost/Valuation As at 31st March 2012	Additions on Consolidation	Additions during the year	Disposals/ Adjustments during the year	As at 31st March, 2013	Upto 31st March, 2012	On Consolidation	For the year	Deductions/ Adjustments during the year	Foreign Exchange Translation reserve	Upto 31st March, 2013	As at 31st March, 2012	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
<b>TANGIBLE ASSETS</b>													
Land: Freehold	32,37,98,176	6,80,15,474	4,54,45,642	6,39,900	43,66,19,392	14,94,790	19,74,054	32,11,684	—	(41,93,801)	24,86,727	43,41,32,665	32,23,03,386
Leasehold	61,23,429	—	—	—	61,23,429	20,22,110	—	1,57,615	—	(6,144)	21,73,581	39,49,848	41,01,319
Buildings	11,76,45,020	1,73,83,234	36,93,103	—	13,87,21,357	3,75,49,075	1,18,20,813	43,73,356	—	—	5,37,43,244	8,49,78,113	8,00,95,945
Plant and Machinery	65,49,95,189	5,40,24,730	4,84,37,644	81,17,759	74,93,39,804	37,53,82,215	4,02,61,835	4,09,40,077	10,44,316	(51,88,412)	45,03,51,399	29,89,88,405	27,96,12,974
Factory Equipment	30,96,312	—	—	—	30,96,312	29,40,745	—	53,157	—	—	29,93,902	1,02,410	1,55,567
Patterns and Moulds	5,40,84,401	7,32,94,465	—	—	12,73,78,866	4,32,71,147	1,97,51,270	63,33,749	—	(19,33,183)	6,74,22,983	5,99,55,883	1,08,13,254
Electrical Installation	1,96,10,391	—	3,30,434	—	1,99,40,825	56,25,160	—	8,25,842	—	—	64,51,002	1,34,89,823	1,39,85,231
Furniture and Fittings	6,62,83,969	56,59,339	19,92,947	—	7,39,36,255	3,83,89,105	42,75,391	46,09,398	—	(5,03,670)	4,67,70,224	2,71,66,031	2,78,94,864
Office Equipment	8,58,342	54,31,821	20,71,184	9,065	83,52,282	5,82,479	48,35,590	14,03,712	7,282	(4,04,724)	64,09,775	19,42,507	2,75,863
Computers													
- Owned	9,10,698	23,27,623	1,53,389	1,50,138	32,41,572	4,42,739	19,99,806	2,69,138	1,20,608	40	25,91,115	6,50,457	4,67,959
- Leased	26,12,261	—	—	—	26,12,261	22,31,096	—	3,63,628	—	—	25,94,724	17,537	3,81,165
Motor Vehicles	83,02,659	2,04,73,550	97,49,385	—	3,85,25,594	16,06,606	1,49,60,037	45,96,389	—	(13,60,999)	1,98,02,033	1,87,23,561	66,96,053
<b>Total Tangible Assets</b>	<b>125,83,20,847</b>	<b>24,66,10,236</b>	<b>11,18,73,728</b>	<b>89,16,862</b>	<b>1,60,78,87,949</b>	<b>51,15,37,267</b>	<b>9,98,78,796</b>	<b>6,71,37,745</b>	<b>11,72,206</b>	<b>(1,35,90,893)</b>	<b>66,37,90,709</b>	<b>94,40,97,240</b>	<b>74,67,83,580</b>
Previous Year	—	123,40,37,109	8,43,72,810	6,00,89,071	125,83,20,848	—	53,57,00,399	3,43,50,109	5,93,52,338	8,39,098	51,15,37,268	—	—
<b>INTANGIBLE ASSETS</b>													
Goodwill (Refer Note-1)	(5,57,50,065)	44,29,04,409	—	2,07,34,075	36,64,20,269	(55,75,00,65)	—	—	—	—	(5,57,50,065)	42,21,70,334	—
Software													
- Owned	16,14,931	6,98,436	—	—	23,13,367	14,57,249	—	2,85,137	—	—	17,42,386	5,70,981	1,57,662
- Leased	9,87,200	—	—	—	9,87,200	6,32,745	—	1,74,303	—	—	8,07,048	1,80,152	3,54,455
Formation Expenses	87,379	—	—	—	87,379	—	—	—	—	(5,607)	(5,607)	92,986	87,379
<b>Total Intangible Assets</b>	<b>(5,30,60,555)</b>	<b>44,36,02,845</b>	<b>—</b>	<b>2,07,34,075</b>	<b>36,98,08,215</b>	<b>(5,36,60,071)</b>	<b>—</b>	<b>4,59,440</b>	<b>—</b>	<b>(5,607)</b>	<b>(5,32,06,238)</b>	<b>42,30,14,453</b>	<b>5,99,516</b>
Previous Year	—	(5,20,48,857)	—	10,11,698	(5,30,60,555)	—	(1,69,08,995)	(92,48,582)	(2,41,98,005)	(22,86,975)	(5,36,60,071)	5,99,516	—
Capital Work-in-Progress	6,238	—	1,70,27,360	—	1,70,33,598	—	—	—	—	—	—	1,70,33,598	6,238
<b>Grand Total</b>	<b>120,52,66,530</b>	<b>69,02,13,081</b>	<b>12,89,01,088</b>	<b>2,96,50,937</b>	<b>1,99,47,29,762</b>	<b>45,78,77,196</b>	<b>9,98,78,796</b>	<b>6,75,97,185</b>	<b>11,72,206</b>	<b>(1,35,96,500)</b>	<b>61,05,84,471</b>	<b>138,41,45,291</b>	<b>74,73,89,334</b>
Previous Year	—	118,19,88,252	8,43,79,048	6,11,00,769	120,52,66,531	—	51,87,91,404	2,51,01,127	3,51,54,333	(14,47,877)	45,78,77,197	74,73,89,334	—

Note - 1: Pursuing to acquisitions of subsidiaries, goodwill on consolidations of Rs 44,29,04,409 has been accounted for in keeping with the relevant accounting policy set out in Note No - 1 (16).

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)**

31st March, 2013		31st March, 2012	
Rs.	Rs.	Rs.	Rs.

**13 NON - CURRENT INVESTMENTS**

**- Long Term (at cost )**

**Unquoted**

**Other Investments**

Nos.	Currency	Face Value	Description			
—	INR		Government Securities 7 Year Post Office National Savings Certificate	<b>23,000</b>		23,000
			Less : Provisions made	<b>23,000</b>	—	23,000
1	INR	7000	(5% Non-Redeemable Debenture Stock) Woodland Hospital & Medical Research Centre Limited		<b>7,000</b>	7,000
9	INR	1000	(6 1/2% Non-Redeemable Debenture Stock) Bengal Chamber of Commerce and Industry		<b>9,000</b>	9,000
					<b>16,000</b>	16,000

**14 LONG TERM LOANS AND ADVANCES**

**- UNSECURED**

(Considered good)

Security Deposits :

- Earnest Money Deposit	<b>1,10,57,727</b>		95,45,106	
- Others	<b>7,90,046</b>	<b>1,18,47,773</b>	7,82,046	1,03,27,152

Other Advances **4,15,59,195** 4,12,50,000

Share of Joint Ventures **5,55,154** 10,18,945

**5,39,62,122** 5,25,96,097

**15 INVENTORIES (at lower of cost or net  
realisable value)**

a) Raw Materials and Components	<b>41,90,32,409</b>	32,90,02,863
b) Work-in-Progress	<b>27,31,24,280</b>	15,95,65,679
c) Finished Goods	<b>3,31,67,359</b>	1,16,82,556
d) Stores and Spare Parts	<b>89,58,620</b>	95,32,407

**Share of Joint Ventures** **36,73,111** 46,00,759

**73,79,55,779** 51,43,84,264

	31st March, 2013		31st March, 2012	
	Rs.	Rs.	Rs.	Rs.
<b>16 Trade Receivables - Unsecured (Considered good)</b>				
a) Debts outstanding for a period exceeding six months		<b>31,50,67,099</b>		21,47,12,779
b) Other Debts		<b>182,59,50,047</b>		166,51,72,519
<b>Share of Joint Ventures</b>		<b>7,28,81,080</b>		2,75,15,284
		<b>221,38,98,226</b>		190,74,00,582
<b>17 CASH AND CASH EQUIVALENTS</b>				
a) Balance with Banks :				
- On Current Account		<b>9,41,21,116</b>		4,22,61,425
b) Cash - in - hand		<b>29,26,676</b>		40,56,002
c) Other Bank balances				
- On Unclaimed Dividend Account		<b>7,44,369</b>		5,40,401
- On Bank Deposits with less than 12 months maturity		<b>50,00,000</b>		1,50,07,020
<b>Share of Joint Ventures</b>		<b>2,20,61,160</b>		1,78,32,847
		<b>12,48,53,321</b>		7,96,97,695
<b>18 SHORT TERM LOANS AND ADVANCES - UNSECURED (Considered good)</b>				
a) Others :				
- Balance with Central Excise authority		<b>6,94,24,062</b>		6,51,37,659
- Balance with Sales tax authorities		<b>5,22,84,341</b>		1,91,15,011
- Balance with Customs authority		—		3,27,692
- Others		<b>2,98,54,743</b>	<b>15,15,63,146</b>	4,27,66,501
b) Advance payment of Income - Tax [(Net of Provision for Income Tax - Rs. 1139 lacs. (2012- Rs. 927))]		<b>6,08,68,164</b>		52,51,477
<b>Share of Joint Ventures</b>		<b>6,07,654</b>		76,00,335
		<b>21,30,38,964</b>		14,01,98,675
<b>19 OTHER CURRENT ASSETS</b>				
- Interest Receivables		<b>8,50,353</b>		16,18,570
- Others		<b>8,49,19,525</b>		1,20,09,767
<b>Share of Joint Ventures</b>		<b>1,16,88,503</b>		1,04,260
		<b>9,74,58,381</b>		1,37,32,597

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)**

Year ended		Year ended	
31st March, 2013		31st March, 2012	
Rs.	Rs.	Rs.	Rs.

**20 REVENUE FROM OPERATIONS**

a) Sale of Products				
- Pumps	<b>94,49,45,023</b>		91,16,75,953	
- Spare Part of Pumps	<b>62,16,09,849</b>		44,10,44,663	
- Castings	<b>103,51,89,259</b>		48,85,81,042	
- Accessories of Pumps	<b>111,42,16,900</b>		162,61,20,792	
- Others	<b>123,58,31,284</b>	<b>495,17,92,315</b>	7,12,94,276	353,87,16,726
b) Sale of Services		<b>7,13,29,207</b>		7,18,44,110
c) Other Operating Revenues :				
- Duty Drawback		<b>7,33,259</b>		4,86,011
Share of Joint Ventures		<b>15,98,02,716</b>		13,24,84,883
		<b>518,36,57,497</b>		374,35,31,730

**21 OTHER INCOME**

a) Interest Income (Gross)		<b>73,06,917</b>		35,52,634
b) Net Gain/(loss) on Foreign currency translation and transaction		<b>(1,20,00,397)</b>		71,81,568
c) Claims and Compensations received		—		22,98,580
d) Rent income		—		15,96,000
e) Sundry Income		<b>23,94,08,282</b>		13,63,026
f) Liability no longer required, written back		<b>21,93,196</b>		72,48,855
g) Negative Goodwill, written back		—		2,47,06,562
h) Government Grant amortised		<b>3,42,716</b>		93,449
Share of Joint Ventures		<b>61,54,762</b>		27,34,685
		<b>24,34,05,476</b>		5,07,75,359

# WPIL

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)

Year ended		Year ended	
31st March, 2013		31st March, 2012	
Rs.	Rs.	Rs.	Rs.

### 22 COST OF RAW MATERIALS AND COMPONENTS CONSUMED

a) Pig iron / Ferrous Scrap	<b>3,38,01,650</b>	3,24,56,767
b) Cables & Winding wires	<b>1,90,22,085</b>	93,33,267
c) Pipes & Tubes	<b>7,89,95,129</b>	4,43,24,847
d) Steel Shafting	<b>9,64,96,205</b>	9,51,80,487
e) Bronze & other metal ingots	<b>1,80,79,091</b>	3,08,75,929
f) Motors, Engines & Starters	<b>29,78,03,627</b>	35,75,73,775
g) Valves	<b>7,86,91,311</b>	7,30,56,508
h) C.I.Castings	<b>8,10,28,944</b>	4,94,61,280
i) M.S.Sheets	<b>12,44,92,838</b>	22,35,40,611
j) Steel / Alloy Steel Castings	<b>68,75,35,651</b>	35,34,16,531
k) Stampings	—	—
l) Spare & others	<b>152,30,82,174</b>	103,63,32,503
<b>Share of Joint Ventures</b>	<b>3,23,39,541</b>	5,81,92,986
	<b>307,13,68,246</b>	236,37,45,491

### 23 CHANGE IN INVENTORIES OF FINISHED GOODS & WORK IN PROGRESS

Opening Stock :		
- Work in Progress	<b>15,95,65,679</b>	10,53,95,813
- Finished Goods	<b>1,16,82,556</b>	2,16,89,308
- On Consolidation	<b>93,16,813</b>	—
	<b>18,05,65,048</b>	12,70,85,121
Closing Stock :		
- Work in Progress	<b>27,31,24,280</b>	15,95,65,679
- Finished Goods	<b>3,31,67,359</b>	1,16,82,556
	<b>30,62,91,639</b>	17,12,48,235
<b>Share of Joint Ventures</b>	<b>8,62,072</b>	(34,19,420)
	<b>(12,48,64,519)</b>	(4,75,82,534)



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)**

Year ended		Year ended	
31st March, 2013		31st March, 2012	
Rs.	Rs.	Rs.	Rs.

**24 EMPLOYEE BENEFIT EXPENSES**

a) Salaries and Wages	<b>56,60,54,814</b>	30,13,67,985
b) Contribution to Provident, Pension and Other Funds	<b>2,82,63,740</b>	1,63,73,057
c) Contribution to Employees State Insurance Scheme	<b>22,83,953</b>	24,28,934
d) Staff Welfare Expense	<b>5,03,60,974</b>	1,63,63,794
<b>Share of Joint Ventures</b>	<b>2,45,87,299</b>	2,38,40,310
	<b>67,15,50,780</b>	36,03,74,080

**25 FINANCE COST**

a) Interest Expense	<b>13,98,59,333</b>	9,23,78,716
b) Other Finance costs	<b>2,60,08,060</b>	3,19,92,644
c) Applicable (Gain)/Loss on Foreign currency translation and transactions	<b>2,77,45,836</b>	1,82,76,487
<b>Share of Joint Ventures</b>	<b>2,23,200</b>	4,53,123
	<b>19,38,36,429</b>	14,31,00,970

Year ended		Year ended	
31st March, 2013		31st March, 2012	
Rs.	Rs.	Rs.	Rs.

**26 OTHER EXPENSES**

a) Consumption of Stores and Spare Parts	<b>7,04,35,085</b>		5,38,45,053
b) Excise Duty	<b>77,71,238</b>		9,50,777
c) Power and Fuel	<b>10,82,90,284</b>		6,06,68,323
d) Erection Expenses	<b>9,35,56,212</b>		8,89,27,563
e) Rent	<b>3,59,06,651</b>		1,45,51,442
f) Rates & Taxes	<b>4,25,03,059</b>		1,73,96,112
g) Postage & Telephone	<b>1,18,28,513</b>		63,42,111
h) Repairs to Machinery	<b>3,72,29,235</b>		1,78,42,631
i) Repairs to Buildings	<b>50,85,127</b>		50,24,955
j) Repairs to others	<b>92,73,171</b>		60,90,131
k) Insurance	<b>2,07,53,736</b>		1,71,97,765
l) Travelling Expenses	<b>3,91,45,391</b>		3,16,84,526
m) Loss on Commodity transactions (net)	—		15,63,853
n) Loss on Sale of Fixed Assets	<b>14,04,596</b>		2,88,542
o) Professional & Consultancy Fees	<b>6,37,26,375</b>		5,16,18,971
p) Carriage Outward	<b>1,38,31,773</b>		75,04,303
q) Advertisement	<b>24,07,949</b>		7,96,709
r) Claims & Compensations etc. paid	<b>3,87,506</b>		2,72,36,486
s) Bad Debts written off	<b>78,04,757</b>		12,14,266
t) Dealer Discount	<b>1,55,95,034</b>		1,53,88,873
u) Commission to other selling agents	<b>3,75,19,069</b>		3,86,19,250
v) Service Charges	<b>9,96,763</b>		66,47,861
w) Directors' Fees	<b>60,000</b>		72,000
x) Commission to Directors	<b>4,00,000</b>		4,00,000
y) Auditors' Remuneration			
- As Auditor	<b>5,60,000</b>		5,60,000
- For Other Services	<b>2,52,504</b>		2,60,000
- For Reimbursement of Expenses	<b>49,440</b>	<b>8,61,944</b>	35,000
z) Miscellaneous Expenses	<b>10,98,54,879</b>		5,43,43,660
<b>Share of Joint Ventures</b>	<b>4,21,27,626</b>		2,69,89,275
	<b>77,87,55,973</b>		55,40,60,438

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)**

**27 OTHER INFORMATION**

a) The Consolidated Financial Statement for the year comprises the Financial Statements of the Company and its Subsidiary Companies and Joint Ventures as detailed below:

Sl.	Name of the Company	Country of Incorporation	% of Holding either directly/ indirectly or through subsidiary		Reporting period
			2013	2012	
<b>A)</b>	<b>SUBSIDIARIES</b>				
i)	WPIL International Pte Limited	Singapore	51	51	12 months ended 31st March
ii)	Mathers Foundry Limited	United Kingdom	51	51	12 months ended 31st March
iii)	Sterling Pumps Pty Limited	Australia	53	53	12 months ended 31st March
iv)	Mody Industries (F.C) Private Limited	India	100	—	12 months ended 31st March
v)	WPIL SA Holdings Pty Limited	South Africa	51	—	13 months ended 31st March
vi)	APE Pumps Pty Limited	South Africa	51	—	13 months ended 31st March
vii)	Mather & Platt (SA) Pvt Limited	South Africa	51	—	13 months ended 31st March
viii)	PSV Services Pty Limited	South Africa	51	—	13 months ended 31st March
ix)	PSV Properties 2 Pty Limited	South Africa	51	—	13 months ended 31st March
x)	PSV Zambia Limited (Zambia)	Zambia	51	—	13 months ended
<b>B)</b>	<b>JOINT VENTURES</b>				
i)	Clyde Pump India Private Limited	India	40	40	12 months ended 31st March
ii)	WPIL (Thailand) Co. Limited	Thailand	25	25	12 months ended 31st December

**27 OTHER INFORMATION (contd.)**

b) During the year, the Group has acquired the following subsidiaries –

Sl.	Name of the Company	Date of Acquisition	Acquired By
i)	Mody Industries (F.C) Private Limited	26.03.2013	WPIL Limited
ii)	WPIL SA Holdings Pty Limited	16.04.2012	WPIL International Pte Limited
iii)	APE Pumps Pty Limited	01.06.2012	WPIL SA Holdings Pty Limited
iv)	Mather & Platt (SA) Pty Limited	01.06.2012	WPIL SA Holdings Pty Limited
v)	PSV Services Pty Limited	01.06.2012	WPIL SA Holdings Pty Limited
vi)	PSV Properties 2 Pty Limited	01.06.2012	WPIL SA Holdings Pty Limited
vii)	PSV Zambia Limited (Zambia)	01.06.2012	WPIL SA Holdings Pty Limited

Pursuing to the above acquisitions, goodwill on consolidations of Rs. 44,29,04,409 has been accounted for in keeping with the relevant accounting policy set out in Note No – 1 (16).

Out of the above, goodwill on consolidation amounting to Rs. 2,07,34,075 has been adjusted with capital reserve in the current year.

	31st March	
	2013	2012
	Rs.	Rs.
c) Sale of Product is stated net of returns in Financial Statements	<b>10,60,816</b>	—
d) Estimated amount of contracts remaining unexecuted on Capital Account and not provided for “(net of Advances Rs 14,79,365)	<b>1,55,14,956</b>	15,83,740
e) Claims against the Company not acknowledged as debts	<b>17,16,402</b>	50,28,703
f) Contingent liabilities not provided for in the Financial Statements in respect of the following :		
- Sales Tax matters under dispute	<b>2,53,19,271</b>	2,20,69,902
- Excise Duty matters under dispute	<b>1,92,752</b>	1,92,752
- Bank Guarantee outstanding	<b>50,60,95,210</b>	45,78,61,540
- Corporate Guarantee outstanding	<b>114,95,61,600</b>	63,25,00,000

- The Assets of a subsidiary, Mathers Foundry Limited have been given as security to a bank in Singapore for availing credit facility by its holding company (WPIL International Pte Limited), in respect of the acquisition of the Company. The Company has also received working capital finance from the same bank.

g) During the year, one of the subsidiary has cumulative Bank Guarantee outstanding as on 31st March, 2013 amounting to Rs. 83,92,428/- (2012 - Rs. 78,71,977/-) from its banker - State Bank of India. The said guarantees have been fully secured against fixed deposits pledged with the bank for Rs. 91,35,768/- (2012 - 85,00,000/-)

h) Provision and Contingent Liability

A retrenched employee has filed a case against one of the subsidiary in the Industrial Labour Court claiming of Rs. 12,00,000/- (approx.) towards retrenchment compensation. The case is pending and the management is of the view that such claim is not valid and will not be allowed by the Court, hence, no provision has been made in the financial statements.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)**

- i) Accrued liability on account of Gratuity payable to the employees of the Company on retirement at future dates as per actuarial valuation as at 31st March, 2013 amounts to Rs. 2,30,97,562/- (2012 – Rs. 2,19,47,713/-). A total sum of Rs. 5,13,38,560/- (including Rs. 34,32,000/- during the current year) has been charged in the Financial Statements and paid to LIC by way of premium under Group Gratuity Scheme for its employees to cover current as well as past liability.
- j) Research and Development Expenses  
Research and Deveopement Expenses relating to revenue nature aggregating to Rs. 74.32 lacs (2012 - Rs. 66.97 lacs) have been charged to respective heads of accounts in the Statement of Profit and Loss, and relating to capital nature aggregating to Rs. 3.78 lacs (2012 - Rs. Nil) have been capitalised under different heads in Fixed Assets in the Balance Sheet.
- k) A loan was obtained by one of the subsidiaries in June 2011 for acquisition of Subsidiary, Mathers Foundry Limited, and its working capital requirements. The term loan is being repaid in 20 equal quarterly installments since December 2012. It carries interest rate of LIBOR plus 3.5% (For Term Loan) and LIBOR plus 3.9% (For Working Capital Loan). The loan is secured by Corporate Guarantee of Holding Company and Mathers Foundry Limited, an exclusive charge over the entire assets of Mathers Foundry Limited both present and future and pledge of 100% shares of Mathers Foundry Limited.
- l) During the year, one of the subsidiaries has obtained a Loan from a bank for a acquisition of South African step-down subsidiaries. This loan is repayable after 21 months from the utilization date (i.e. June 2012) in 20 equal quarterly installments and carries interest rate of LIBOR plus 5.25%. This loan is secured by Corporate Guarantee of the Holding Company, WPIL SA Holdings Proprietary Limited and the South African step- down subsidiaries, a charge over entire assets of the step-down subsidiaries and a pledge of the shares of WPIL SA Holdings Proprietary Limited and the South African step-down subsidiaries.
- m) Warranty costs are accrued at the time the products are sold. Based on past experience, the provision is discharged over the contractual warranty period from the date of sale. During the year, Rs. 1,18,16,421/- have been incurred against earlier provisions, and Rs. 91,25,000/- have been provided.

n) Earnings Per Share

Net Profit after Tax (Rs.)  
Face Value per Share (Rs.)  
Weighted Average Number of Shares  
Basic and Diluted Earnings Per Share (Rs.)

		31st March	
		2013	2012
		<b>40,95,74,794</b>	22,38,03,122
		<b>10</b>	10
		<b>79,67,080</b>	79,67,080
		<b>51.41</b>	28.09

o) Related Party Transactions :

Related Party disclosures as required under Accounting Standard - 18 on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India, as certified by the management, are given below :

**A) List of Related Parties**

- i) Key Management Personnel and their relatives
  - Mr. P. Agarwal : Managing Director
  - Mr. V.N. Agarwal : Director, Father of Mr. P. Agarwal
  - Mr. K.K. Ganeriwala : Executive Director
  - Mr. Anton Richard Merry : Wholetime Director of Sterling Pump Pty Ltd
  - Mr. S.R. Shah : Executive Director of Mody Industries (F.C) Pvt Ltd
  - Mr. Peter Robinson : Executive Director of APE Pumps Pty Ltd
- ii) Companies over which key- management personnel or relatives are able to exercise control/significant influence
  - Bengal Steel Industries Limited (Bengal Steel)
  - Hindusthan Udyog Limited (HUL)

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)**

**B Disclosure of transactions with Related parties during the year.**

	Companies over which control/ significant influence of key management personnel exists				Key management personnel of the Company	
	Bengal Steel		HUL		2013	2012
	2013	2012	2013	2012		
Sale of Products	—	—	2,63,36,892	85,75,282	—	—
Purchase of Goods	—	—	26,29,79,957	26,03,79,048	—	—
Dividend Paid	—	—	77,23,318	77,23,318	3,92,884	3,92,884
Rent Paid	48,00,000	48,00,000	31,35,000	30,80,000	—	—
Amenities Paid	—	—	1,47,514	13,72,366	—	—
Electricity Charges Paid	22,73,050	23,52,649	—	—	—	—
Sale of Fixed Assets	—	—	56,68,847	—	—	—
Remuneration, Commission and Sitting Fees						
- Mr. P. Agarwal	—	—	—	—	43,58,769	42,15,222
- Mr. K. K. Ganeriwala	—	—	—	—	29,70,122	29,28,896
- Mr. V. N. Agarwal	—	—	—	—	1,08,000	1,12,000
As at 31st March						
Trade Receivable	—	—	88,14,781	43,94,860	—	—
Trade Payable	1,93,019	—	10,90,71,385	10,88,50,640	—	—

p) Disclosure required under Accounting Standard (AS) - 15 (Revised) are as follows :

(Rupees in Lacs)

	Year ended 31st March, 2013		Year ended 31st March, 2012	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
<b>A) Components of Employer Expenses :-</b>				
1. Current Service Cost	18.08	2.95	16.21	1.86
2. Interest Cost	17.56	5.74	18.28	5.62
3. Expected Return on Plan Assets	(1.14)	—	(0.65)	—
4. Actuarial (Gain)/Loss	11.00	18.43	(0.81)	7.90
5. Expenses recognized in the Statement of Profit and Loss	45.50	27.12	33.03	15.38
<b>B) Net Assets/(Liability) recognised in the Balance Sheet as at 31st March :-</b>				
1. Present value of obligation as at 31st March	230.98	87.87	219.48	71.70
2. Fair value of Plan Assets as at 31st March	(11.15)	—	(12.50)	—
3. (Assets)/Liability recognized in the Balance Sheet	219.83	87.87	206.98	71.70

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)**

p) Disclosure required under Accounting Standard (AS) - 15 (Revised) are as follows : (contd.) (Rupees in Lacs)

	Year ended 31st March, 2013		Year ended 31st March, 2012	
	Gratuity	Leave Encash- ment	Gratuity	Leave Encash- ment
<b>C) Change in the Defined Benefit Obligation (DBO) during the year ended 31st March :-</b>				
1. Present value of obligation at the beginning of the year	219.48	71.70	215.05	66.13
2. Current Service Cost	18.08	2.95	16.21	1.86
3. Interest Cost	17.56	5.74	18.28	5.62
4. Past Service Cost	—	—	—	—
5. Actuarial (Gain)/Loss	10.65	18.43	0.35	7.90
6. Benefits paid	(34.79)	(10.95)	(30.41)	(9.81)
7. Present value of obligation at the end of the year	230.98	87.87	219.48	71.70
<b>D) Change in the Fair Value of Plan Assets :-</b>				
1. Plan Assets at the beginning of the year	12.50	—	7.62	—
2. Actual return on Plan Assets	1.14	—	0.65	—
3. Actuarial gain/(loss) on plan assets	(0.36)	—	1.16	—
4. Actual Company's contribution	32.65	10.95	33.48	9.81
5. Benefits paid	(34.79)	(10.95)	(30.41)	(9.81)
6. Fair value of Plan Assets at the end of the year	11.15	—	12.50	—
<b>E) Actuarial assumptions :-</b>				
1. Discount rate (p.a.)	0.08	0.08	0.09	0.08
2. Expected rate of return (p.a.)	0.09	N.A.	0.09	N.A.
3. Salary escalation (p.a.)	0.05	0.05	0.05	0.05
<b>F) Experience adjustment on account of actuarial assumption of Gratuity :</b>				
	<b>2012-13</b>		<b>2011-12</b>	
1. Defined Benefit Obligation as at 31st March	230.98		219.48	
2. Plan Asset as at 31st March	11.15		12.50	
3. Surplus/(Deficit)	(219.83)		(206.98)	
4. Experience adjustment on Plan Assets	(0.36)		1.16	
5. Experience adjustment on Plan Liabilities	10.65		3.45	

q) Lease Commitments

	Following amount has been charged in the Statement of Profit and Loss of Mathers Foundry Limited	
	2013 Rs.	31st March 2012 Rs.
i) Lease payments recognized in the Statement of profit and Loss for the year	51,28,363	38,05,294
ii) Minimum lease payments under the agreements are as follows:		
a) Not later than one year	70,29,544	36,24,329
b) Later than one year but not later than 5 Year	26,62,591	40,24,500

# WPIL

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)

r) Segment Reporting :

The Group is primarily engaged in the business of design, development, manufacture, marketing, installation and servicing of vertical and horizontal pumps of various sizes required for lift irrigation / major irrigation schemes, thermal / nuclear power plants etc., and accordingly there are no business segment. However pursuant to recent acquisitions across various geographical locations with different political and economic environment, risks and rewards etc, the group after review has identified geographical segments as primary reporting format. The geographical segments has been identified as India and Outside India.

	2013 Rs.	3 1st March 2012 Rs.
<b>Segment Revenue</b>		
– India	290,20,46,818	290,99,64,223
– Outside India	243,70,01,249	82,34,21,489
Total	<u>533,90,48,067</u>	<u>373,33,85,712</u>
<b>Segment Results (Profit before Tax)</b>		
– India	34,89,93,123	106,56,33,580
– Outside India	33,20,31,118	30,08,13,816
	<u>68,10,24,241</u>	<u>136,64,47,396</u>
Less:		
– Other unallocated expenditure net of unallocated income	—	103,04,51,645
<b>Profit before Taxation and Minority Interest</b>	<u>68,10,24,241</u>	<u>33,59,95,751</u>
Less: Taxation Charge		
Current Tax	12,75,06,541	10,13,46,881
Deferred Tax	74,37,885	52,15,520
Less: Minority Interests	<u>13,65,05,022</u>	<u>56,30,228</u>
<b>Profit after Taxation and Minority Interest</b>	<u>40,95,74,794</u>	<u>22,38,03,122</u>
<b>Segment Assets</b>		
– India	313,34,15,890	250,90,02,816
– Outside India	169,19,12,194	74,29,49,515
– Unallocable	—	20,34,62,913
	<u>482,53,28,084</u>	<u>345,54,15,244</u>
<b>Segment Liabilities</b>		
– India	217,83,20,731	183,89,87,852
– Outside India	127,49,79,341	18,25,74,694
– Unallocable	—	59,70,24,362
	<u>345,33,00,072</u>	<u>261,85,86,908</u>
<b>The Group does not have any Secondary Segment</b>		



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)**

	Year ended 31.03.2013		Year ended 31.03.2012	
	Percentage Rs.	Value	Percentage Rs.	Value
s) <b>Value of Raw Materials and Components consumed are as follows :</b>				
(i) Indigenous	55%	168,43,03,353	97%	228,32,98,426
(ii) Imported	45%	138,70,64,893	3%	8,04,47,065
	<b>100%</b>	<b>307,13,68,246</b>	<b>100%</b>	<b>236,37,45,491</b>
t) <b>Value Stores and Spare Parts Consumed</b>				
(i) Indigenous	66%	4,64,27,784	95%	5,11,22,583
(ii) Imported	34%	2,40,07,301	5%	27,22,470
	<b>100%</b>	<b>7,04,35,085</b>	<b>100%</b>	<b>5,38,45,053</b>
		<b>Year ended 31.03.2013</b>		<b>Year ended 31.03.2012</b>
u) <b>Expenditure in Foreign Currency in connection with :</b>		Rs.		Rs.
(i) Foreign Business Tour		58,30,417		43,70,764
(ii) Professional Fees		—		52,23,204
(iii) Commission expenses		1,96,39,438		2,68,97,815
(iv) Interest expenses		1,14,43,326		—
(v) Others		18,70,284		15,03,975
		<b>3,87,83,465</b>		<b>3,79,95,758</b>
v) <b>Earnings in Foreign Exchange in respect of :</b>				
(i) F. O. B value of Exports		40,08,21,877		265,265,535
(ii) Interest income		—		13,66,190
(iii) Others		8,07,994		17,04,210
		<b>40,16,29,871</b>		<b>26,83,35,935</b>
w) <b>C.I.F. Value of Imports :</b>				
(i) Raw Materials		12,48,36,267		7,45,79,023
(ii) Machinery		1,22,06,024		97,11,535
		<b>13,70,42,291</b>		<b>8,42,90,558</b>
		<b>2012-13</b>		<b>2011 - 12</b>
x) <b>Dividend remitted to Non-resident Shareholders in Foreign Currency</b>				
(i) Number of Non – resident shareholders		20		15
(ii) Number of Shares held by Non – resident shareholders		19,998		2,933
(iii) Amount remitted for the year (Rs.)		39,996		5,866
(iv) Financial year to which Dividend relates		2011 - 12		2010 - 11

# WPIL

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)

- y) Statement containing financial information of Subsidiary Companies  
(In terms of General Circular No. 2/2011 dated 8th April 2011 issued by the Ministry of Corporate Affairs)

Name of the subsidiary company	WPIL International Pte Limited *	Sterling Pumps Pty Limited #	Mathers Foundry Ltd ^	WPIL SA Holdings Pty Ltd. @	Mody Industries (F.C) Pvt Ltd
Currency	USD	AUD	GBP	ZAR	INR
Paid up capital	21,89,59,508	794	4,07,10,000	8,56,86,300	22,62,500
Reserve & Surplus	(4,56,18,886)	6,23,54,086	27,05,86,818	21,60,57,325	11,41,80,178
Total Assets	103,73,13,413	19,22,30,842	96,24,98,744	75,11,29,175	13,90,98,979
Total Liabilities	103,73,13,413	19,22,30,842	96,24,98,744	75,11,29,175	13,90,98,979
Turnover	4,88,26,236	29,44,99,109	102,37,72,372	105,12,16,000	20,74,46,765
Profit/(Loss) before tax	(2,66,98,428)	4,33,46,055	75,10,267	27,23,96,242	7,70,86,710
Tax provision	—	—	—	1,83,54,278	2,61,83,689
Profit/ Loss after Tax	(2,66,98,428)	4,33,46,055	75,10,267	25,40,41,963	5,09,03,021

\* Converted into Indian Rupees at Exchange Rate, 1USD= Rs. 54.32 as on 29.03.2013

# Converted into Indian Rupees at Exchange Rate, 1AUD= Rs. 56.32 as on 29.03.2013

^ Converted into Indian Rupees at Exchange Rate, 1GBP= Rs. 82.40 as on 29.03.2013

@ Converted into Indian Rupees at Exchange Rate, 1ZAR= Rs. 5.88 as on 29.03.2013

- z) Previous year's figures have been rearranged / regrouped by giving effect of audited financial Statements since received for earlier years wherever found necessary.

Signature to Notes 1 to 27.

For V. Singhi & Associates  
Chartered Accountants  
Registration no. 311017E  
  
(V. K. SINGHI)  
Partner  
Membership no. 50051

Place : Kolkata  
Date : May 13, 2013

PRAKASH AGARWAL  
K.K. GANERIWALA  
U. CHAKRAVARTY

Managing Director  
Executive Director  
General Manager (Finance)  
& Company Secretary

**CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31ST MARCH, 2013**

	Year ended		Year ended	
	31st March, 2013		31st March, 2012	
	Rs.	Rs.	Rs.	Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>				
<b>Net Profit before Tax and Extraordinary Items</b>		<b>68,10,24,241</b>		<b>33,59,95,751</b>
Adjustment for:				
(Profit) / Loss on sale of Fixed Assets	<b>20,75,808</b>		2,88,542	
Unrealised Exchange (Gain)/ Loss (net)	—		69,15,564	
Impact of Foreign Exchange Translation (Net)	<b>(90,18,818)</b>		5,56,415	
Depreciation	<b>6,64,78,479</b>		2,36,91,516	
Interest income	<b>(81,96,039)</b>		(35,52,634)	
Liabilities no longer required written back	—		(72,48,855)	
Negative Goodwill written back	—		(2,47,06,562)	
Government Grant amortised	—		(93,449)	
Bad debts / Advances / Claims written off	<b>9,24,057</b>		17,22,395	
Interest charge	<b>14,00,79,297</b>	<b>19,23,42,783</b>	9,23,78,716	8,99,51,648
<b>Operating Profit before Working Capital Changes</b>		<b>87,33,67,024</b>		<b>42,59,47,399</b>
Adjustment for:				
Trade and other receivables	<b>(44,88,01,272)</b>		(48,03,96,603)	
Inventories	<b>(18,28,71,538)</b>		(15,16,73,324)	
Trade payables	<b>34,48,17,233</b>	<b>(28,68,55,577)</b>	16,95,28,785	(46,25,41,142)
<b>Cash Generated from Operations</b>		<b>58,65,11,447</b>		<b>(3,65,93,743)</b>
Tax paid		<b>(18,13,94,078)</b>		<b>(10,40,27,168)</b>
<b>Net Cash from Operating Activities</b>		<b>40,51,17,369</b>		<b>(14,06,20,911)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>				
Purchase of Fixed Assets	<b>(46,61,30,290)</b>		(7,27,42,988)	
Sale of Fixed Assets	<b>56,68,847</b>		24,01,071	
Purchase of Investment in Subsidiaries	<b>(24,50,06,125)</b>		(22,58,72,875)	
Sale of Investments	<b>1,76,42,760</b>		—	
Loan Given	<b>(31,73,82,270)</b>		(10,18,945)	
Interest Received	<b>50,56,574</b>		19,64,953	
<b>Net Cash used in Investing Activities</b>		<b>(100,01,50,503)</b>		<b>(29,52,68,784)</b>

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST MARCH, 2013**

	Year ended		Year ended	
	31st March, 2013		31st March, 2012	
	Rs.	Rs.	Rs.	Rs.
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>				
Proceeds from Long Term Borrowing	<b>34,34,84,080</b>		49,98,71,144	
Repayments of Long Term Borrowing	<b>(17,32,907)</b>		(17,24,984)	
Proceeds from Short Term Borrowing	<b>88,39,78,669</b>		10,38,23,544	
Repayments of Short Term Borrowing	<b>(37,46,09,035)</b>		(13,31,39,923)	
Minority Contribution	—		6,79,43,990	
Dividend paid	<b>(7,79,48,942)</b>		(1,61,45,991)	
Dividend Tax paid	<b>(1,26,78,356)</b>		(25,84,920)	
Interest paid	<b>(13,91,62,463)</b>		(8,74,10,429)	
Net Cash used in Financing Activities		<b>62,13,31,047</b>		43,06,32,431
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>		<b>2,62,97,912</b>		(52,57,264)
<b>Cash and Cash Equivalents (On Opening Date)</b>		<b>7,96,97,695</b>		1,07,21,825
<b>Cash and Cash Equivalent added on Consolidation</b>		<b>1,88,57,714</b>		7,42,33,134
<b>Cash and Cash Equivalents (On Closing Date)</b>		<b>12,48,53,321</b>		7,96,97,695

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement notified by the Companies (Accounting Standards)

	31.03.2013	31.03.2012
	Rs.	Rs.
2. Cash & cash equivalents include :		
– Cash in hand	<b>29,26,676</b>	40,56,002
– Cheque in hand	—	
– With Scheduled Banks :		
On Current Accounts	<b>9,41,21,116</b>	4,22,61,425
On Unclaimed Dividend A/C	<b>7,44,369</b>	5,40,401
On Margin Deposit A/cs		
On Fixed Deposit A/cs	<b>50,00,000</b>	1,50,07,020
Share of Joint Ventures	<b>2,20,61,160</b>	1,78,32,847
	<b>12,48,53,321</b>	7,96,97,695

- Previous year's figures have been regrouped/rearranged wherever found necessary.  
This is the Cash Flow Statement referred to in our Report of even date.

	For V. Singhi & Associates		
	Chartered Accountants		
	Registration no. 311017E	PRAKASH AGARWAL	Managing Director
	(V. K. SINGHI)	K.K. GANERIWALA	Executive Director
Place : Kolkata	Partner	U. CHAKRAVARTY	General Manager (Finance)
Date : May 13, 2013	Membership no. 50051		& Company Secretary