



# **WPIL Limited**

**ANNUAL REPORT AND ACCOUNTS 2014**

## FINANCIAL HIGHLIGHTS (STANDALONE)

(Rs. in Lac)

Particulars	2014	2013	2012	2011	2010
<b>Financial Positions</b>					
Share Capital	797	797	797	797	797
Reserves & Surplus (Net of Revaluation Reserve)	9254	7537	5848	4048	2660
Net Worth	10051	8334	6645	4845	3457
Gross Block	5894	5190	5125	4498	4085
Accumulated Depreciation	2604	2387	2191	1996	1824
Net Block	3290	2803	2934	2502	2261
<b>Summary of Operations</b>					
Total Income	27100	26946	30303	21983	21285
Profit before Interest, Depreciation & Tax	3942	3901	3950	2908	2537
Interest	1315	978	789	429	356
Depreciation	215	204	197	171	143
Profit/(Loss) before Tax	2412	2719	2964	2308	2038
Profit/(Loss) after Tax	1717	1875	1985	1573	1337
Dividend	160	186	185	185	185
Earnings Per Share (Rs.)	21.56	23.53	24.91	19.75	16.78

# WPIL Limited

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## **DIRECTORS**

P. AGARWAL  
— *Managing Director*

K. K. GANERIWALA  
— *Executive Director*

V. N. AGARWAL  
SAMARENDRA NATH ROY  
BINAYA KAPOOR  
DR. U.K. MUKHOPADHYAY

## **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  
AXIS BANK

## **REGISTRAR**

MCS SHARE TRANSFER AGENT LIMITED  
12/1/5, MANOHARPUKUR ROAD, GROUND FLOOR,  
KOLKATA-700 026  
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**

C-41, ROAD NO.34  
WAGLE INDUSTRIAL ESTATE  
THANE-400604

## **SOUTHERN REGION OFFICE**

1H, 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
- v) PLOT NO. 1-1-2A-1-1A-1/P/1/C  
MIDC, BUTIBORI INDUSTRIAL AREA  
NAGPUR-441122

# WPIL

## WPIL Limited

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

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**NOTICE** is hereby given that the **SIXTIETH 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 31st day of July, 2014 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, 2014, the Statement of 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 (DIN 00408731) who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
4. 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 :

5. To consider and, if thought fit, to pass with or without modifications(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 provisions of Schedule XIII of the Act, and provisions of Section 196,197,198 and other applicable provisions, if any, of the Companies Act, 2013, (the new Act) read with provisions of Schedule V of the new 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 re-appointment of Mr. P. Agarwal as Managing Director of the Company for a period of three years with effect from 1st November,2013 on such terms and conditions and payment of remuneration and other perquisites/benefits to Mr.P.Agarwal during the said period of three years as recommended by Remuneration Committee of Directors and also set out in 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 the provisions of Schedule V to the new 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.”

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 provisions of Schedule XIII of the Act, and provisions of Section 196,197,198 and other applicable provisions, if any, of the Companies Act, 2013, (the new Act) read with provisions of Schedule V of the new 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

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re-appointment of Mr. K.K.Ganeriwala as Executive Director of the Company for a period of three years with effect from 1st November,2013 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 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 the provisions of Schedule V to the new 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.”

7. 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 197,198 and all other applicable provisions, if any, of the Companies Act, 2013, the Company hereby accords its consent and approval to pay remuneration to 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 terms 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.”

8. To consider and, if thought fit to pass, with or without modification(s) the following resolution as Ordinary Resolution.

“**RESOLVED THAT** Mr. Utpal Kumar Mukhopadhyay, (DIN 02766045) who was appointed an Additional Director on 25th July 2013, be and is hereby appointed an Independent Director of the Company under Section 152(2) of the Companies Act, 2013 for an initial period of five years from the conclusion Company’s Sixtieth Annual General Meeting to the conclusion of Company’s Sixty- fifth Annual General Meeting.”

9. To consider and, if thought fit to pass, with or without modification(s) the following resolution as Ordinary Resolution.

**RESOLVED THAT** Mr. Binaya Kapoor (DIN 00544162), an existing Independent Director, who has filed with the Company the required Declaration as per Section 149(7) of the Companies Act, 2013, be and is hereby appointed an Independent Director of the Company for a period of five years from the conclusion Company’s Sixtieth Annual General Meeting to the conclusion of Company’s Sixty-fifth Annual General Meeting.”

10. To consider and, if thought fit to pass, with or without modification(s) the following resolution as Ordinary Resolution.

**RESOLVED THAT** Mr. Samarendra Nath Roy (DIN 00408742), an existing Independent Director, who has filed with the Company the required Declaration as per Section 149(7) of the Companies Act, 2013 be and is hereby appointed an Independent Director of the Company for a period of five years from the conclusion of Company's Sixtieth Annual General Meeting to the conclusion of Company's Sixty- fifth Annual General Meeting."

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

Date : 21st May, 2014  
Place : Kolkata  
CIN : L 36900 WB1952 PLC 020274

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.  

A person can not act as a Proxy on behalf of the Members not exceeding fifty and holding in aggregate shares not more than 10 Percent of the total Share Capital of the Company.
2. The Register of Members and Share Transfer Books will remain closed from Monday, the 21st July, 2014 to Thursday, the 31st July, 2014 (both days inclusive).
3. Subject to the provisions of Section 126 of the Companies Act, 2013, dividend as recommended by the Board of Directors for the year ended March, 31,2014, if declared, will be payable to those Members whose names appear in the Register of Members as at the close of business on July, 19, 2014 (July,20, 2014 being Sunday) and in respect of shares held in dematerialized form, as per the list of beneficial owners furnished to the Company by NSDL/CDSL as at the close of business on July,19,2014. The dividend warrants will be posted on or about 6th August, 2014
4. Mr. U. Chakravarty, General Manager (Finance) and Company Secretary is the Compliance officer in terms of Clause 12B of the Listing Agreements with the Stock Exchanges. Members may communicate with the Compliance Officer in relation to any query pertaining to their shareholdings.
5. 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)
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/interruption in postal transit

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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.
11. The notice of the Meeting will be available on the Company's website <http://www.wpil.co.in> and the website of the National Securities Depository Limited (NSDL) at <http://www.evoting.nsdl.com>.
12. Relevant statement, pursuant to Section 102(1) of the Companies Act, 2013, in respect of item of special business is annexed hereto.
13. As per Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management & Administration) Rules, 2014, the item of business set out in attached Notice may be transacted also through electronic voting. Members who do not have access to e-voting facility, may send duly completed Ballot Form (enclosed with this notice) so as to reach to the Scrutinizer at the address printed on Business Reply Envelope (enclosed with this notice) by July,18,2014.
14. The Company is pleased to offer e-voting for all member of the Company. For this purpose, the Company has entered into an Agreement with NSDL for facilitating e-voting to enable the Members to cast their votes electronically. E- voting is optional. The instructions for Members for e-voting are given as under.
  - a) In case the Members receiving e-mail form NSDL:
    - i) Open e-mail and open PDF file viz, "WPIL Limited e-voting pdf" with Your client ID or folio no. as password. The said PDF file contains your user ID and password for e-voting. Please note that password is an initial password.
    - ii) Launch the internet browser by typing <https://www.evoting.nsdl.com>
    - iii) Click on shareholder "Login"
    - iv) Put your user ID and password noted in step (i) above. Click Login.
    - v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/ characters or combination thereof. Please take note of new password
    - vi) Home page of e-voting opens. Click on "e-voting Active voting Cycles."
    - vii) Select "EVEN of WPIL Limited.
    - viii) Now you are ready for e-voting as "Cast vote page opens. Voting period commences Wednesday, 16th July, 2014 at 10.00 A.M. and ends on Friday, 18th July, 2014 at 6.00 P.M.
    - ix) Cast your vote by selecting appropriate option and click on "Submit" and also "confirm" when prompted.
    - x) Upon confirmation, the message "vote cast successfully will be displayed.
    - xi) Once you have voted on the resolution you will not be allowed to modify your vote.
    - xii) Institutional shareholders (i.e other than individual, HUF, NRI etc) are required to send scan copy (PDF format) of relevant Board Resolution together with attested specimen signature of duly authorized signatory(ies) who are authorised to vote through e-mail to Scrutinizer at [pvs17@rediffmail.com](mailto:pvs17@rediffmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
    - xiii) Please note that if you have opened 3-in-1 account with ICICI Group i.e. bank account and demat account with ICICI Bank Limited and trading account with ICICI Securities Limited, you can access e-Voting website of NSDL through their website viz.; [www.icicidirect.com](http://www.icicidirect.com) for the purpose of casting your votes electronically by using your existing user ID and password used for accessing the website [www.icicidirect.com](http://www.icicidirect.com). Please note that in case you are not able to login

through the ICICI direct website, you can also access the e-Voting system of NSDL by using your existing user ID and password for the evoting system of NSDL.

- b) In case of Members receiving Ballot Form by post.
  - i) Initial password is provided as below/at the bottom of Ballot Form.

EVEN (E VOTING EVENT NUMBER)	USER ID	PASSWORD

- ii) Please follow all steps from S. No. (ii) to Sl. No. (xii) of para 14(a) above to cast vote
  - iii) In case of any query, you may refer the Frequently Asked Question (FAQs) for Members and e-voting user manual for Members available at the “downloads” section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact at Telephone No. (022) 2499 4600.
  - iv) If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote and there is no need to register again.
- 15. The notice is being sent to all members whose names appear on the Register of Members as received from NSDL/CDSL as on Friday, 13th June, 2014. The dispatch of notice and Ballot Form will be completed on Thursday, 26th June, 2014.
- 16. The member can opt to vote only on one mode of voting i.e either by Physical Ballot or e-voting. In case Members cast their votes through both the modes, votes cast through Physical Ballot Form shall prevail and voting done at e-voting will be treated as invalid. The Voting rights shall be reckoned on the paid up value of shares registered in the name of the Shareholders as on Friday, 13th June, 2014.
- 17. The Board of Directors of the Company has appointed Mr. P.V.Subramanian, Company Secretary in whole time practice, (CP No. 2077) as a Scrutinizer for conducting the entire process of polling (both Voting Electronically and through Physical Ballot) in a fair and transparent manner.
- 18. The Scrutinizer shall within a period of not exceeding three working days from the conclusion of e-voting period unblock the votes in presence of at least two witnesses, not being in the employment of Company and make a Scrutinizer’s Report of the votes cast in favour or against if any, forthwith to the Chairman of the Company.
- 19. The voting period starts from Wednesday, 16th July, 2014 at 10.00 A.M. and ends on Friday, 18th July, 2014. at 6.00 P.M. The e-voting module shall also be disabled by NSDL for voting thereafter.
- 20. Voting can be exercised only by the concerned Member or his/her duly constituted attorney or in case of bodies corporate, its duly authorized person. A Member need not use all his/her votes.
- 21. The Results shall be declared at the AGM. The Results declared together with Scrutinizer Report shall be placed on the Company’s website [www.wpil.co.in](http://www.wpil.co.in) and on the website of NSDL within two (2) days of passing of the Resolutions and communicated to the Stock Exchange.

**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. 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.
3. 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.
4. 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.



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**Statement pursuant to Section 102(1) of the Companies Act, 2013.****RESOLUTION AT ITEM NO. 5**

Mr. P. Agarwal was re-appointed as the Managing Director of the Company for a period of two years four months commencing from 1st July, 2011 and his term of office expired on 31st October, 2013. Keeping in mind the significant contribution to the growth and performance of the Company by Mr. P. Agarwal, the Board of Directors of the Company at their meeting held on 30th October, 2013, further re-appointed Mr. P. Agarwal as the Managing Director of the Company for a period of three years with effect from 1st November, 2013. The terms of re-appointment including remuneration as approved by the Remuneration Committee and the Board subject to the approval of the Members to be obtained at this Meeting are as follows:-

**1. Period**

Three years commencing from 1st November, 2013

**2. Remuneration**

Subject to overall limit laid down under Section 198 and 309 of the Companies Act, 1956 and Section 197 & 198 of the Companies Act, 2013, Mr. P. Agarwal shall be entitled to receive from Company following remuneration :-

- (a) Salary : Rs. 2,00,000/- per month
- (b) Commission : At a rate of 1% of the profits of the Company subject to a ceiling of fifty percent of the Annual salary.
- (c) Perquisites : In addition to the above, Mr. Agarwal shall be entitled to perquisites like furnished accommodation, gas, electricity, water and soft furnishings, medical reimbursement and leave travel concession for self and family, club fees, medical insurance, Personal accident insurance, leave encashment, benefits of Provident Fund, Gratuity Fund, Car and telephone etc. in accordance with the Rules of the Company. In case, no accommodation is provided by the Company to Mr. Agarwal, he will be paid House Rent Allowance at the rate of 60% of his basic salary. The aforesaid perquisites other than benefits of Provident Fund, Gratuity Fund, and Leave encashment, shall be restricted to the annual salary of Mr. Agarwal.

Provided that the total remuneration payable to him by way of salary, commission, perquisites, contributions towards Provident Fund, and Gratuity Fund on his account shall not exceed 5% of the net profits of the Company calculated in accordance with Section 198 and 309 of the Companies Act, 1956 and Section 197 & 198 of the Companies Act, 2013.

In the event of loss or inadequacy of profits in any year during the tenure of office, the remuneration payable to him for that year shall be determined and allocated by the Board within the ceiling limit laid down in paragraphs (A) of Section II of Part II of Schedule V to the Companies Act, 2013.

**3. Termination**

This re-appointment may be terminated by any party herein, by giving to the other party, a six months notice in writing.

- 4. The Managing Director shall not be entitled to any sitting fees for attending the meetings of the Board of Directors/ committee of Directors
- 5. The re- appointment of Mr. P. Agarwal as Managing Director and remuneration payable to him are in line with Schedule XIII to the Companies Act, 1956, and Schedule V to the Companies Act, 2013 subject to the approval of

members to be obtained at this Annual General Meeting and to the extent any of the provisions herein are inconsistent or contrary to terms of such approval, the latter will prevail.

6. As required under the Act, the further particulars pertaining to the Company and the appointee are set out hereinafter.

## **RESOLUTION AT ITEM NO. 6**

The Board of Directors of the Company (“the Board”) at their meeting held on 30th October, 2013, re-appointed Mr.K.K.Ganeriwala as Executive Director of the Company for a period of three years commencing from 1st November, 2013, subject to the approval of the Members to be obtained at this Annual General Meeting. Mr. K.K.Ganeriwala is a Cost Accountant and Company Secretary having extensive experience in area of Finance, Accounts, general management and operational aspects of the Company. With the significant growth of operational activities of the Company, it has become necessary for the Company to avail the expertise of Mr.K.K.Ganeriwala on regular basis. The Board considers that the re-appointment of Mr. K.K. Ganeriwala as Executive Director of the Company would prove beneficial to the interest of the Company. The terms of re-appointment of Mr. Ganeriwala including the remuneration as approved by the Remuneration Committee and the Board, subject to the approval of the Members to be obtained at this Meeting are as follow:-

### **1. Period**

Three years commencing from 1st November, 2013

### **2. Remuneration**

Subject to overall limit laid down under Section 198 and 309 of the Companies Act, 1956 and Section 197 & 198 of the Companies, 2013, Mr. K.K.Ganeriwala shall be entitled to receive from Company following remuneration :-

- (a) Salary : Rs.1,50,000/- per month
- (b) Commission : At a rate of 0.5% of the profits of the Company subject to a ceiling of fifty percent of the Annual salary.
- (c) Perquisites : In addition to the above, Mr. Ganeriwala shall be entitled to perquisites like furnished accommodation, gas, electricity, water and soft furnishings, medical reimbursement and leave travel concession for self and family, club fees, medical insurance, Personal accident insurance, leave encashment, benefits of Provident Fund, Gratuity Fund, Car and telephone etc.in accordance with the Rules of the Company. In case, no accommodation is provided by the Company to Mr. Ganeriwala, he will be paid House Rent Allowance at the rate of 60% of his basic salary. The aforesaid perquisites shall be restricted to the annual salary of Mr. Ganeriwala.

Provided that the total remuneration payable to him by way of salary, commission and perquisites and contributions towards Provident Fund, and Gratuity Fund on his account shall not exceed 5% of the net profits of the Company calculated in accordance with Section 198 and 309 of the Companies Act, 1956 and Section 197 & 198 of the Companies, 2013.

In the event of loss or inadequacy of profits in any year during the tenure of office, the remuneration payable to him for that year shall be determined and allocated by the Board within the ceiling limit laid down in paragraphs (A) of Section II of Part II of Schedule V to the Companies Act, 2013.

### **3. Termination**

This re-appointment may be terminated by any party herein, by giving to the other party, a six months notice in writing..

4. The Executive Director shall not be entitled to any sitting fees for attending the meetings of the Board of Directors/ Committee of Directors
5. The re-appointment of Mr. K.K.Ganeriwala as Executive Director and remuneration payable to him are in line with Schedule XIII to the Companies Act,1956 & Schedule V to the Companies Act, 2013 subject to the approval of members to be obtained at this Annual General Meeting and to the extent any of the provisions herein are inconsistent or contrary to terms of such approval, the latter will prevail
6. As required under the Act, further particulars pertaining to the Company and the appointee are set out hereinafter.

**I General Information**

**(a) Nature Of Industry**

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 these, 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) Date or expected date of commencement of commercial production**

The company commenced business on 26th February 1952.

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

Not applicable

**(d) Financial performance based on the given indicators.**

Performance over the last three financial years is set out as under.

(Rs. in Lacs)

	2012-13	2011-12	2010-11
Gross Turnover (Including Excise Duty)	27690.96	30675.20	22479.54
Profit for the year before tax	2719.06	2963.80	2308.19
Extra Ordinary Income (Charges)	—	—	—
Provision for Taxation	844.06	979.06	734.88
Profit after Taxation	1875.00	1984.74	1573.31
Balance brought forward from the previous year	2396.86	2097.31	1709.18
Balance available for appropriation	4271.86	4082.05	3282.50
Less: Appropriations	1749.27	1685.19	1185.81
Balance carried to Balance Sheet	2522.59	2396.86	2096.69
Equity Share Capital	796.71	796.71	796.71
Reserves & Surplus	7589.82	5903.44	4105.49
Fixed Assets	2973.66	2933.97	2617.84
Investments	3789.23	827.65	40.16
Net Current Assets	4489.90	6567.51	2779.77

(Rs.in lacs)

**(e) Export Performance**

	2012-13	2011-12	2010-11
Export earning on FOB basis	4615.91	2683.36	1155.53

**(f) Foreign Investments or collaborators if any:**

The foreign investment of the Company has been shown in Note 12 forming the part of the Financial Statement.

## **II Information about the appointees**

### **Mr. Prakash Agarwal**

**(a) Background details**

Mr. Agarwal is a graduate in Mechanical Engineering and has wide experience in Marketing, Management and Operations of the Engineering Industry. His areas of expertise are new product and business development, Radical performance improvement, Business Transformation, International marketing, Sound negotiating skills, Foreign collaborations and JVs, Setting up new operations, high performance team building, and cost optimizations etc.,

**(b) Past Remuneration**

The remuneration drawn by Mr. Agarwal as the Managing Director of the Company during the financial year ended 31st March, 2014, has been mentioned in the Report of Board of Directors on Corporate Governance.

**(c) Recognition or awards**

None

**(d) Job profile and his suitability:**

Subject to the superintendence, control and direction of the Board, Mr. Agarwal will manage and superintend the business affairs and properties of the Company and do all such lawful acts and things in relation to such management and superintendence as he shall think fit and reasonable.

He has a very rich experience in manufacturing and business restructuring. Mr. Agarwal prior to his appointment as Managing Director of the Company on 1st July, 2002 was also associated as Non-Executive Director for a period of two years and is fully conversant with business operations of the Company.

**(e) Remuneration proposed**

As mentioned in forgoing pages.

**(f) Comparative Remuneration profile with respect to industry, size of the Company, profile of the position and person ( in case of expatriates the relevant details would be w.r.t. the country of Origin.)**

The remuneration structure of Mr. Agarwal is not higher than what is drawn by his peers in comparable Companies.

**(g) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any;**

Mr. Agarwal being a promoter Managing Director will not be entitled to remuneration under any other head. No relative of Mr. Agarwal is employed by the Company.

## **III. Disclosures:**

- (a) The remuneration package of Mr. Agarwal has already set out above.
- (b) The necessary disclosures as required under paragraph (B) of Section II of Part II of Schedule XIII of the Act have already been made in the Report of the Board of Directors on Corporate Governance.
- (c) The Board considers that having regard to the significant contribution of Mr. Agarwal towards remarkable growth of operational activities of the Company during his current tenure, the re-appointment of Mr. Agarwal as Managing Director of the Company for a further period of three years is fully justified. As such the Board commends the Special Resolution set out in item 5 of the Notice convening the meeting for the approval of the Shareholders.

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- (d) A draft of the Agreement between the Company and Managing Director will be available for inspection by the members of the Company at its Registered Office on any working day prior to the date of the Meeting during the usual business hours and will also be available at the Meeting.
  - (e) Except Mr. Prakash Agarwal and Mr. V.N. Agarwal, no other Director/Key Managerial personnel nor any relative of Director or Key Managerial Personnel have any concern or interest in the said resolution.
  - (f) An Abstract of terms of re-appointment of Mr. Agarwal as Managing Director of the Company and Memorandum of Interest had been circulated to the Members in terms of Section 302 of the Act.
  - (g) The period of appointment of Mr. Agarwal as Managing Director including payment of remuneration covers applicability of relevant provisions of Companies Act, 1956 and Companies Act, 2013. Hence, approval of the members have been sought both under the above Acts.
  - (h) The passing of the aforesaid resolution also does not relate to or affect any other Company.

**Mr. K. K. Ganeriwala**

**(a) Background details**

Mr. Ganeriwala is a Cost Accountant and Company Secretary having extensive experience in area of Finance, Accounts, general management and operational aspects of the Company.

**(b) Past Remuneration**

The remuneration drawn by Mr. Ganeriwala as the Executive Director of the Company during the financial year ended 31st March, 2014, has been mentioned in the Report of Board of Directors on Corporate Governance.

**(c) Recognition or awards**

None

**(d) Job profile and his suitability:**

Subject to the superintendence, control and direction of the Board, Mr. Ganeriwala will manage and superintend the business affairs and properties of the Company and do all such lawful acts and things in relation to such management and superintendence as he shall think fit and reasonable.

He has a very rich experience in area of Finance, Accounts, General Management and Operational aspects of the Company. Mr. Ganeriwala, prior to his appointment as Executive Director of the Company on 1st November, 2007 was also associated as Non-Executive Director for a period of five years and is fully conversant with business operations of the Company.

**(e) Remuneration proposed**

As mentioned in forgoing pages.

**(f) Comparative Remuneration profile with respect to industry, size of the Company, profile of the position and person ( in case of expatriates the relevant details would be w.r.t. the country of Origin.)**

The remuneration structure of Mr. Ganeriwala is not higher than what is drawn by his peers in comparable Companies.

**(g) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any;**

Mr. Ganeriwala being Executive Director will not be entitled to remuneration under any other head. No relative of Mr. Ganeriwala is employed by the Company.

**III. Disclosures:**

- (a) The remuneration package of Mr. Ganeriwala has already set out above.

- (b) The necessary disclosures as required under paragraph (B) of Section II of Part II of Schedule XIII of the Act have already been made in the Report of the Board of Directors on Corporate Governance.
- (c) The Board considers that with the significant growth of operational activities of the Company, it has become necessary for the Company to avail the expertise of Mr. Ganeriwala on regular basis. The Board considers that the re-appointment of Mr. Ganeriwala as Executive Director of the Company for a further period of three years is fully justified. As such the Board commends the Special Resolution set out in item 6 of the Notice convening the meeting for the approval of the Shareholders.
- (d) A draft of the Agreement between the Company and Executive Director will be available for inspection by the members of the Company at its Registered Office on any working day prior to the date of the Meeting during the usual business hours and will also be available at the Meeting.
- (e) Except Mr. Ganeriwala, no other Director/Key Managerial Personnel nor any relative of Director or Key Managerial Personnel have any concern or interest in the said resolution.
- (f) An Abstract of terms of re-appointment of Mr. Ganeriwala as Executive Director of the Company and Memorandum of Interest had been circulated to the Members in terms of Section 302 of the Act.
- (g) The period of appointment of Mr. Ganeriwala as Executive Director including payment of remuneration covers applicability of relevant provisions of Companies Act, 1956 and Companies Act, 2013. Hence, approval of the members have been sought both under the above Acts.
- (h) The passing of the aforesaid resolution also does not relate to or affect any other Company.

#### **RESOLUTION AT ITEM NO. 7**

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 member

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

The passing of the aforesaid resolution also does not relate to or affect any other Company.

#### **RESOLUTION AT ITEM NO. 8**

The Board of Directors of the Company at their meeting held on 25th July 2013 appointed Mr. Utpal Kumar Mukhopadhyay as Additional Director of the Company to hold office only up to the date of next Annual General Meeting of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956, read with the provisions of Article 123 of the Articles of the Company. The Board at its meeting held on 21st May 2014, formed an opinion that Mr Utpal Kumar Mukhopadhyay is a person of integrity and possesses relevant expertise and experience for being appointed an Independent Director of the Company. In the opinion of the Board, Mr Utpal Kumar Mukhopadhyay fulfils the conditions specified in the Act and the rules made thereunder and that he is independent of management. Mr Utpal Kumar Mukhopadhyay has furnished to the Board the requisite declaration contemplated u/s 149(7) of the Companies Act, 2013 (the Act) stating that he is Independent Director within the meaning of Section 149(6) of the Act.

In view of the above position, approval of the Members is sought to appoint him as an Independent Director for an initial term of five years from the conclusion Company's Sixtieth Annual General Meeting to the conclusion of Company's Sixty- fifth Annual General Meeting.

The Company and Mr Utpal Kumar Mukhopadhyay as Independent Director shall abide by the code for Independent Directors specified in schedule V of the Act, and shall be governed and guided by the provisions contained therein. Formal Letter of

appointment shall be issued to Mr Utpal Kumar Mukhopadhyay upon his appointment. The terms and Conditions of appointment shall be open for inspection at the registered office of the Company by any member during normal business hours.

The Board is of opinion that it would be interest of the Company to appoint Mr Utpal Kumar Mukhopadhyay an Independent Director and the resolution under the item No. 8 has been proposed to this end. The Board commends the resolution to Members for acceptance.

Mr Utpal Kumar Mukhopadhyay not being a retiring Director in terms of Section 152 of the Act, his name has been proposed by a Member along with a deposit of Rs. 1 lakh as provided u/s 160 of the Act. This deposit shall be refunded should he get elected as a Director or secures more than 25% of the total valid vote cast on such Resolution.

Mr Utpal Kumar Mukhopadhyay should be deemed concerned or interested in the Resolution. No other Director/Key Managerial personnel nor any relative of the Directors or the Key Managerial personnel have any concern or interest in the aforesaid Resolution. The passing of the aforesaid resolution also does not relate to or affect any other Company.

#### **RESOLUTION AT ITEM NOS. 9 &10**

Mr. Binaya Kapoor and Mr. Samarendra Nath Roy are existing Independent Directors under Clause 49 of the Listing Agreement. Upon implementation of the Companies Act, 2013, ('the Act') the Board , at its meeting held on 21st May 2014, formed an opinion that each of them are persons of integrity and possess relevant expertise and experience for being appointed Independent Directors of the Company. In the opinion of the Board, each of these persons fulfil the conditions specified in the Act and the rules made thereunder and that they are each independent of management They have also at the said Board Meeting filed declarations u/s 149(7) of the Act stating that they can function as Independent Director within the meaning of Section 149(6) of the Act.

In view of the above position, approval of the Members is sought to formally appoint them Independent Directors as per Section 149(10) of the Act for a period of five years from the conclusion Company's Sixtieth Annual General Meeting to the conclusion of Company's Sixty- fifth Annual General Meeting.

The Company and Independent Directors shall abide by the code for Independent Directors specified in schedule V of the Act, and shall be governed and guided by the provisions contained therein. Formal Letters of appointment shall be issued to each Independent Director upon his appointment. The terms and Conditions of appointment shall be open for inspection at the registered office of the Company by any member during normal business hours.

The Board is of opinion that it would be interest of the Company to appoint Mr. Binaya Kapoor and Mr. Samarendra Nath Roy as Independent Directors of the Company and Resolutions under the items No. 9 and 10 have been proposed to this end. The Board commends the resolutions to Members for acceptance. Mr. Binaya Kapoor and Mr. Samarendra Nath Roy were holding office as retiring Directors and, after their appointment as Independent Directors, they shall not be liable any further to retirement by rotation and shall hold office for aforesaid fixed term of five years and could be eligible for appointment for one more consecutive term of five years.

Mr. Binaya Kapoor and Mr. Samarendra Nath Roy should be deemed concerned or interested in the particular Resolutions seeking to appoint each of them as Independent Director.. No other Director/Key Managerial personnel nor any relative of the Directors or the Key Managerial personnel have any concern or interest in the aforesaid Resolutions. The passing of the aforesaid resolutions also do not relate to or affect any other Company

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

Date : 21st May, 2014  
Place : Kolkata  
CIN : L36900WB1952PLC020274

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. U. K. Mukhopadhyay</b>
Date of Birth	15.01.1939	26.01.1944
Date of First Appointment	26. 04. 2001	25.07.2013 (as Additional Director)
Qualifications	B.E.	M.sc. PhD (Economic)
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 finance, administration and other aspect of corporate management in diversified fields.
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.	Borosil Glass work Ltd. Surya Rashmi Ltd. Sun Risk Management & Insurance Broking Services Pvt. Ltd.



**Details of Directors seeking 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. Samarendra Nath Roy</b>	<b>Mr. Binaya Kapoor</b>
Date of Birth	21.06.1943	05.07.1935
Date of First Appointment	23.05.2005	21.07.2006
Qualifications	B. Tech. (Hons) in Electrical Engineering from IIT Kharagpur	B. Tech (Hons)
No. of Shares Held	NIL	NIL
Nature of Expertise	Having 46 years post qualification experience in Project Management and execution of many big Engineering Projects including Farakka Super Thermal Power Project and Bakreshwar Thermal Power Station. Mr. Roy was Executive Director of BHEL, Bhopal and Jhansi units.	Having vast experience in Corporate Management and Administration with expertise in the field of Engineering and Product line of the Company. Other Directorships
Other Directorships	<ol style="list-style-type: none"> <li>1) North Dinajpur Power Ltd.</li> <li>2) Rajgarh Bio Power Ltd.</li> <li>3) Super Wind Project (P) Ltd.</li> <li>4) Techno Ganga Nagar Green Power Generating Co. Ltd.</li> <li>5) Techno Birbhum Green Power Generating Co. Ltd.</li> <li>6) Techno Electric &amp; Engineering Co.Ltd.</li> <li>7) Simran Wind Project (P) Ltd.</li> </ol>	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 60th Annual Report on the business and operations of the Company for the financial year ended 31st March 2014.

### FINANCIAL HIGHLIGHTS (STANDALONE)

	<b>2013-14</b> <b>(Rs. in Lacs)</b>	<b>2012-13</b> <b>(Rs. in Lacs)</b>
Total Income	<b>27099.94</b>	26946.00
Profit before interest, Depreciation and Taxation	<b>3942.09</b>	3901.26
Interest	<b>1315.08</b>	977.64
Depreciation	<b>214.62</b>	204.56
Profit before Taxation	<b>2412.39</b>	2719.06
Provision for Taxation	<b>694.94</b>	844.06
Profit after Taxation	<b>1717.45</b>	1875.00
Balance brought from previous year	<b>2522.59</b>	2369.86
Profit available for appropriation	<b>4240.04</b>	4271.86
Transfer to General Reserve	<b>1500.00</b>	1562.85
Proposed Dividend with Tax on Dividend	<b>159.51</b>	186.42
Balance available in surplus account in Balance sheet	<b>2580.53</b>	2522.59

### OPERATIONS

The operations of the Company were again consistent in the face of poor external environment. It was quite creditable to maintain revenues and bottom line in a situation with severe deterioration in infrastructural and industrial environment coupled with liquidity crunch and high interest rates. The Company retained focus on margins even at the expense of growth. It is also commendable that the performance has been consistent across all divisions of the Company establishing maturity in operations. The Company has been constantly moving up the value-chain with a focus on delivering superior quality products and services in India and abroad. The Company re-committed its strategies and organisational architecture to aggressively drive and maintain profitability across all business verticals. The Operational Results demonstrate Company's ability to identify, nurture and sustain growth opportunities resulting a strong platform for future growth. Market expansion, infrastructural resources, technical capabilities and domain expertise acquired over several years continues to be the growth engine of the Company. The Company has created a reliable and well-known brand which has immensely contributed to the continuance of consistent growth over the past few years.

While the Company is strongly positioned in its traditional area of manufacturing sophisticated pumps, spares and turnkey execution of water handling projects, its capabilities have strengthened significantly. As a result the Company today serves markets that are much larger than ever before. The Company unique ability in providing innovative technology has resulted in becoming a market leader in its carefully business segments in India and a major player in international markets for its outstanding business performance. The Company has been able to leverage cutting-edge technology through its in-house Research and Development. This has paid rich dividends and resulted in increased business, improving the Company's position further, in the markets it serves. The Company is in a position of remarkable strength, in the select high growth verticals-irrigation, power, Oil & Gas and industrial sectors. The Company with a view to further strengthen its business and offerings continues to be in the lookout acquiring companies, key technologies and assets of reputed companies.

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## **DIVIDEND**

After considering the performance for the year, cash flow 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 2014.

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 19th July 2014 or to their mandates subject however, to the provisions of Section 126 of the Companies Act, 2013.

## **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**

The year 2013-14 was an election year with the entire administrative machinery of the country preparing for a critical election. This coupled with the global environment of the U.S. Federal Reserve tightening its money policies led to a huge amount of uncertainty in the Industrial Environment resulting in deferral of investments. Hence, the operating environment of the Company was affected on one hand by the slowing of Govt. expenditure in the irrigation and municipal sectors and on the other hand a freeze in Industrial investments in the Power and Industrial sectors. However, backed by its strong brand and product portfolio, the Company maintained its consistent performance and leveraged its International business to enhance exports.

### **C. OPERATIONAL REVIEW**

Performance of the Company remained balanced across its operational divisions along with good export. Focus on balanced growth across the verticals of Irrigation and Municipal Water supply helped offset earlier dependence on Power and Industrial sector. The Company had notable achievements in supply of high head long setting pumps to Karnataka Irrigation for Asia's largest Irrigation pump station and the supply of the country's largest Water Supply pumps to Hyderabad Metro. Simultaneously the Company successfully commissioned India's largest metallic CW Pumps for 2x700 MW Rajpura Power Plant and exported Sea Water pumps in super duplex steel. This stream of enhancing achievements are positioning the Company as a strong Global Player in the Engineered Pump business.

#### **Engineered Pump Division**

This division has a record year with its highest sales ever with a 20% jump over last year. The tremendous achievements mentioned above coupled with constant capacity enhancement should ensure robust growth.

The first phase of Nagpur manufacturing facility is completed and work on test bed has started. The Company intends to complete it by June, 2015.

# WPIL

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## **Standard Pump Division**

The division maintained its robust performances with improvement in margins. The division is steadily enhancing its product range and manufacturing capacity to maintain its growth. Expected pick up in Economic activity is likely to drive its operations to new thresholds.

The foundry expansion is complete and the new sand system and furnaces have greatly enhanced quality while reducing environmental damage.

## **Infrastructure Division**

The division successfully commissioned a majority of its pending projects and has commenced the process of handing over and recovery of retention dues. Successful completion of projects is adding to the division strength and enhancing its future capability.

The major achievements were completion of projects in MPGCL, Malwa and Satpura Power Plants and Avantha Korba site. A large irrigation project in Andhra Pradesh using pump turbines is under commissioning stage. Major supplies for Malawi project have been completed.

## **WPIL International Business**

The international business of the Company has stabilized after the string of acquisitions and are poised for future growth.

The South African business had a good year with large gain in revenue and profitability as it begins the process of establishing itself as a dominant force on the African Continent. Growth is seen in both the South African market and projects across Southern and Eastern Africa.

Mathers Foundry underwent a restructuring exercise and is now positioned well to encash the uptick in demand for its products from the Oil and Gas and Nuclear Industries. It occupies an enviable position as a vendor of choice with its major blue chip customers.

Sterling Pumps continued to grow its business and has established a new manufacturing and test facility to cater its growing order book. It is now poised to continue its growth in the Australian market.

The Joint Venture in Thailand has penetrated into all sectors of the Thai economy especially Irrigation and Drainage. However, the recent political crisis has prevented more rapid growth in revenues.

## **Indian Subsidiary**

Our Indian subsidiary, Mody Industries had another good year. The main focus remains to grow the product range and marketing infrastructure and the efforts taken on both fronts are paying off. The business is expected to grow 30% this year based on the initiatives undertaken.

## **Clyde India Pvt. Ltd.**

Our JV with Clyde Pumps continues to maintain its steady performance. The Management is slowly establishing new product lines in the Oil and Gas and Power sectors. Good growth is expected as these products penetrate into the market.

## **D. FUTURE OUTLOOK**

The company being one of the leaders in the pump industry foresees good growth in both domestic and International business and expects the focus on diversification across product categories and geographies to be the major driver. Domestically, the country is poised on the brink of economic recovery and a strong government is expected to drive infrastructural growth. This should result in growth across all the company product sectors. Similarly, internationally the

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economies of Europe are strengthening and Africa is the new high growth destination. Hence, the International operations are bound to support the domestic growth to help WPIL achieve its potential.

#### **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 and poor recovery from customers. This increase in commodity prices combined with liquidity crisis 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 along with 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 People process is at the heart of Company's successful story. 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 423 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 Agreements 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 certification 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 Section 152 of the Companies Act 2013, Mr.V.N.Agarwal retires by rotation and, being eligible, offers himself 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 2014-15, 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.

### **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 2013-14 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.

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## **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). 97.07% of the total equity share capital of the Company was held in dematerialized form with NSDL and CDSL as on 31st March 2014.

## **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 Acts, 1956, provided such Company publishes the audited consolidated financial statements in the Annual Report. Accordingly, Annual Report 2013-2014 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 2012-13 under Section 233(B) of the Companies Act, 1956 to conduct Cost Audit relating 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 27.09.2013 against due date on 30.09.2013.

## **INVESTOR SERVICES**

In compliance to the requirements of newly inserted Clause 54 of the Listing Agreements 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 would keep 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 : 21st May, 2014

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 those measures have the effect of reduction of energy consumption leading to saving of energy cost by Rs. 3,000/- per month.

##### AT PANIHATI

- Improvement of heat insulation of Air-conditioned chambers.
- Re-arrangement of officer's seating arrangement to achieve optimum usage of electrical illumination and air-conditioning appliances.
- Replacement of in-efficient Air-conditioners with efficient Air-conditioners
- Regular maintenance of Air-conditioners.

##### AT GHAZIABAD PLANT

Cost of Power consumption decreased by Rs. 15,000/- per month for improvement in melting system due to enhancement of power connection from 970KVA to 1500KVA.

#### 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

###### Conservation of Energy

###### New Pump Models/Components Developed:

- High efficiency vertical turbine pumps of mixed flow type (specific speed 4000 to 4400 US NS) of design flow range 20000 to 23000 M<sup>3</sup> per hr and head range 28 M to 30 M
- New tilting pad type thrust bearing housing design developed for 45000 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 and prediction of pump performance
- 3-D Modeling of pump fabricated components for design optimization and value engineering.

##### AT GHAZIABAD PLANT

Following are the specific areas in which Design & manufacturing facility development has been carried out by the company during the year under review.

- 16MNV25, 12MNV24, 10WLR12, 8WR11, 12MN19 (Side discharge), 10WLR14, 200DS451 (Modify casting & impeller pattern), MS620Z, 20WLN28C (Impeller pattern drawing for BMC Project)



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### **AXIAL FLOW SUBMERSIBLE – 350KW-P48**

- Developed.

### **HORZ MUTISTAGE PUMP- WKLN**

5 Horizontal Pump models developed as per following:.

- WXH30-32/135 (WKLN-32)
- WXH30-40/135 (WKLN-40)
- WXH30-65/185 (WKLN-65)
- WXH30-80/210 (WKLN-80)
- WXH30-100/240 (WKLN-100)

### **VERTICAL SUMP PUMPS**

We have developed following 9 models.

- VOACH-25/230
- VOACH-40/230
- VOACH-50/300
- VOACH-80/230
- VOACH-80/400
- VOACH-100/400
- VOACH-150/400
- VOACH-200DS552
- VOACH-40-300

### **SEWAGE PUMP SET**

4 Motor frame drawing and patterns from 25 HP to 100HP and pump developed.

### **BOREWELL SUBMERSIBLE MOTOR**

14 inch 2 pole motor design developed.

### **(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**

- Setting up pump testing facility to conduct performance test of high head Horizontal Centrifugal Pumps of flow range 5000 to 7000 M3 per hr and head range 150 M to 180 MWC
- 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.
- Certification of QHSAS 18001 for occupational health & safety

### TRAINING

- In-house training on “3-Dimensional modeling of Pump intake structure”. Three R&D personnel attended the course.
- R&D engineers attended in-house workshop with live demonstration on “Assembly, installation and performance testing of “High-head horizontal centrifugal Pumps”.
- Training by internal & external faculty on enhancement of brand equity, environment protection, team work, health & safety, 5S 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.

### STANDARDISATION

- 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. Now standardization of vertical pump column assemblies is under progress. This will help reducing delivery time of long-setting vertical turbine pumps.

### QUALITY SYSTEM

- Awareness training conducted for Kolkata operation plants implementation of EMS ISO:14001.

### (D) FOREIGN EXCHANGE EARNINGS AND OUTGO

	<b>Rs. in Lacs</b>
Total foreign exchange earned during the period	4385.02
Total foreign exchange used	3346.71

Place : Kolkata  
Date : 21st May, 2014

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, 2014.

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, 2014 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 25th July, 2013	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. Shyamal Mitra	NED & ID	3	Present	1	NIL, (6)
Mr. S. N. Roy	NED & ID	3	Present	7	1
Mr. Binaya Kapoor	NED & ID	4	Present	2	1
Mr. Utpal Mukhopadhyay	NED & ID	1	Appoint after AGM	1	NIL

- (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.
- (6) Mr. Shymal Mitra, an Independent Director of the Company passed away on 2nd February, 2014 and above particulars concerning to him have been furnished till 01.02.2014.

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

During the Financial Year 2013-14, Four Board Meetings were held on 13th May, 2013, 25th July, 2013, 30th October, 2013, and 30th January, 2014

**3. COMMITTEE OF THE BOARD**

Presently, there are four committees of the Board– (1) Audit Committee, (2) Remuneration Committee, (3) Share Transfer Committee (4) 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, 2014, the Audit Committee meetings were held on 13th May, 2013, 25th July, 2013, 30th October, 2013, and 30th January, 2014. 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	3	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 2013-14, one Remuneration Committee Meeting was held on 30th October, 2013.

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 ninth Annual General Meeting held on 25th July, 2013.

- A. Details of remuneration paid/payable to the Managing Director and the Executive Director during the year ended 31st March, 2014 are given below :

Name	Designation	Salary (Rs.)	Contribution to funds (Rs.)	Perquisites & Allowances (Rs.)	Commission (Rs.)	Total (Rs.)
Mr. Prakash Agarwal	MD	20,50,000	3,83,541	12,30,000	10,25,000	46,88,541
Mr. K. K. Ganeriwala	ED	14,50,000	4,33,880	8,70,026	7,25,000	34,78,906

There was no stock option during the Financial Year ended 31st March, 2014.

- B. Details of remuneration paid/payable to Non-executive Directors during the year ended 31st March, 2014 are as follows:-

Sl. No.	Name of Directors	Commission (Rs.)	Sitting fees (Rs.)		Total (Rs.)
			Board	Nature of Meeting 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	—	6,000/-	14,000/-	20,000/-
4.	Mr. Binaya Kapoor	1,00,000/-	8,000/-	10,000/-	1,18,000/-
5.	Mr. Utpal Mukhopadhyay	50,000/-	2,000/-	—	52,000/-

## III. Shareholders'/Investors' Grievances Committee

The Shareholders'/Investors' Grievances Committee comprises of Mr. K.K. Ganeriwala (Chairman), Mr. Shyamal Mitra and Mr. Prakash Agarwal. 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, 2014, 6 Nos. of Investors' complaints/ queries were received altogether and no complaint/query was pending for redressal as on 31st March, 2014. 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. Shyamal Mitra and Mr. P. Agarwal. Mr. Shyamal Mitra passed away on 2nd February, 2014. 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, 2014 and all the transfers were registered within 15 days from the date of valid 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:ID 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 1C of 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
2012-13	“Kala Kunj” Kalamandir (Basement), 48, Shakespeare Sarani, Kolkata-700 017	25.07.2013	10.00 A.M.	Yes	No
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

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 25th July, 2013 :-

##### 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 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.”

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) forming part of the Financial Statements of your Company for the year ended 31st March, 2014, 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  Declaration as necessary, has been made in the Directors' Report.
(B)	Non-Executive Directors' Compensation & Disclosures	Yes	
(C)	Other provisions as to Board and Committee	Yes	
(D)	Code of Conduct	Yes	
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  Management Discussion and Analysis forms a part of Directors' Report.
(F)	Management	Yes	
(G)	Shareholders	Yes	

V.	<b>CEO/CFO Certification</b>	Yes	Certification as required, has been provided to the Board for the Financial Year ended on 31st March, 2014.
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, 2014.

## 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	31st July, 2014
(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 2014-15	
(A)	1st Quarter ending 30th June, 2014	Before the end of 14th August, 2014
(B)	2nd Quarter and Half-year ending 30th September, 2014	Before the end of 14th November, 2014
(C)	3rd Quarter ending 31st December, 2014	Before the end of 14th February, 2015
(D)	4th Quarter and Annual Results for the year ending 31st March, 2015	Before the end of 30th May, 2015
III.	Dates of Book Closure (both days inclusive)	21st July to 31st July, 2014

IV.	Dividend payment date	The dividend warrants will be posted on or about 6th August, 2014.
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 2014-15 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, 2013	338.90	270.00	N.T.	N.T.	19,622.68	18,144.22
May, 2013	401.90	269.90	N.T.	N.T.	20,443.62	19,451.26
June, 2013	399.80	337.50	N.T.	N.T.	19,860.19	18,467.16
July, 2013	366.95	270.50	N.T.	N.T.	20,351.06	19,126.82
August, 2013	290.00	173.50	N.T.	N.T.	19,569.20	17,448.71
September, 2013	199.95	176.00	N.T.	N.T.	20,739.69	18,166.17
October, 2013	217.95	175.00	N.T.	N.T.	21,205.44	19,264.72
November, 2013	206.00	165.50	N.T.	N.T.	21,321.53	20,137.67
December, 2013	259.55	189.10	N.T.	N.T.	21,483.74	20,568.70
January, 2014	246.95	189.00	N.T.	N.T.	21,409.66	20,343.78
February, 2014	212.00	170.00	N.T.	N.T.	21,140.51	19,963.12
March, 2014	215.00	184.00	N.T.	N.T.	22,467.21	20,920.98

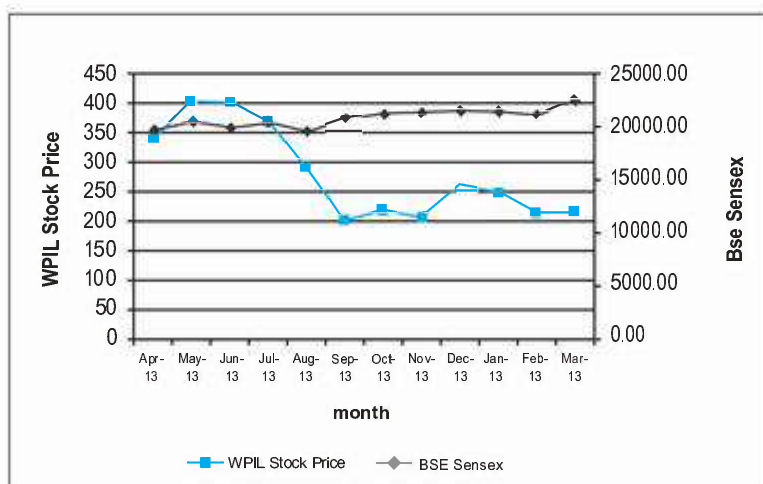
N.T. : No Transaction

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, 2014.

**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>

	<b>4. Others</b>		
	a) Private Corporate Bodies	6,76,916	8.50
	b) Indian Public	13,07,575	16.41
	c) NRIs/OCB	17,122	0.21
	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	5,103	94.87	4,03,955	5.07
2.	501 to 1000	113	2.10	87,026	1.09
3.	1001 to 2000	61	1.13	91,252	1.15
4.	2001 to 3000	28	0.52	69,148	0.87
5.	3001 to 4000	16	0.30	55,205	0.69
6.	4001 to 5000	10	0.19	44,803	0.56
7.	5001 to 10000	18	0.34	1,25,732	1.58
8.	10001 to 50000	19	0.35	3,95,259	4.96
9.	50001 to 100000	6	0.11	4,04,888	5.08
10.	100001 and above	5	0.09	62,89,812	78.95
	Total	5,379	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 97.07% 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<br>Panihati, Sodepur<br>Kolkata-700 114                                     | b) A-5, Sector 22, Meerut Road<br>Ghaziabad-201 003<br>Uttar Pradesh                 |
| c) 180/176, Upen Banerjee Road<br>Kolkata-700 060  | d) Biren Roy Road (West)<br>Ganipur, Maheshtala<br>24 Parganas (South) PIN : 743 352 |
| e) Plot No. A-1-2, A-1-1A-1/P/1/C<br>MIDC, Butibori Industrial Area,<br>Nagpur-441122, Maharashtra |  |

**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.

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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  
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 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 21st May, 2014 and the same has been approved.

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

Date: 21st May, 2014

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, 2014.

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

Date: 21st May, 2014

For WPIL Limited

P. AGARWAL  
Managing Director

# WPIL

## AUDITORS' CERTIFICATE

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### **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, 2014 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, 2014, no investors grievances are pending for a period exceeding one month against the Company as per records maintained by the Shareholders' Grievance 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 : 21st May, 2014

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, 2014, 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") read with General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. 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, 2014;
- (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 Companies Act, 1956 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 read with General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013; and
- e) on the basis of written representations received from the Directors as on 31st March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, 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 : 21st May, 2014

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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(Referred in paragraph – 1 of the Report on Other Legal and Regulatory Requirements of our Report of even date.)

- 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 and stock in transit) 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 Act. 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, 2014 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	31,79,437	1998-99	Appellate Revisional Board
		24,59,528	2004-2005	- Do -
		46,12,500	2010-11	Sr. Joint Commissioner (Appeal)
West Bengal Sales Tax Act, 1994	Sales Tax	57,22,132	2004-2005	Appellate Revisional Board
West Bengal VAT Act, 2003	Sales Tax	18,82,968	2009-10	Appellate Revisional Board
Central Excise Act, 1944	Excise & Custom	42,156	—	CESTAT
		1,50,752	—	Commissioner (Appeals)
Income Tax Act, 1961	Income Tax	28,98,918	2010-11	Commissioner of Income Tax (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, we report that no term loan has been obtained by the Company during the year.
  - 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 : 21st May, 2014

For V. SINGHI & ASSOCIATES  
Chartered Accountants  
Firm Registration No. 311017E

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

# WPIL

## BALANCE SHEET

AS AT 31ST MARCH, 2014

	Note No.	31st March, 2014		31st March, 2013	
		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	91,45,55,804	99,42,26,604	75,89,81,681	83,86,52,481
<b>2) Non-Current Liabilities</b>					
a) Long-Term Borrowings	4	20,22,28,670		30,17,21,829	
b) Deferred Tax Liabilities (net)	5	3,35,97,243		2,94,69,128	
c) Long-Term Provisions	6	78,67,822	24,36,93,735	70,46,757	33,82,37,714
<b>3) Current Liabilities</b>					
a) Short-Term Borrowings	7	73,21,40,682		57,88,68,253	
b) Trade Payables	8	88,85,92,595		64,47,85,485	
c) Other Current Liabilities	9	26,93,80,154		56,42,66,003	
d) Short-Term Provisions	10	3,41,15,225	192,42,28,656	2,95,06,975	181,74,26,716
Total			316,21,48,995	299,43,16,911	
<b>II. ASSETS</b>					
<b>1) Non-Current Assets</b>					
a) Fixed Assets					
i) Tangible Assets	11	32,89,62,896		28,03,32,886	
ii) Capital Work-in-Progress		43,35,297		1,70,33,598	
		33,32,98,199		29,73,66,484	
b) Non-Current Investments	12	37,95,35,685		37,89,22,585	
c) Long-Term Loans and Advances	13	5,58,83,195	76,87,17,073	5,16,10,499	72,78,99,568
<b>2) Current Assets</b>					
a) Inventories	14	24,39,08,428		25,74,57,446	
b) Trade Receivables	15	181,45,44,480		173,83,88,058	
c) Cash and Cash equivalents	16	99,40,501		2,41,66,084	
d) Short-Term Loans and Advances	17	29,10,71,625		23,40,67,027	
e) Other Current Assets	18	3,39,66,888	239,34,31,922	1,23,38,728	226,64,17,343
Total			316,21,48,995	299,43,16,911	
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 21, 2014	Membership no. 50051		

**STATEMENT OF PROFIT AND LOSS  
FOR THE YEAR ENDED 31ST MARCH, 2014**

	Note No.	Year ended 31st March, 2014		Year ended 31st March, 2013	
		Rs.	Rs.	Rs.	Rs.
I. Revenue from Operations	19	<b>273,52,25,519</b>		276,90,96,025	
Less : Excise Duty		<b>8,92,47,256</b>	<b>264,59,78,263</b>	<u>8,22,61,981</u>	268,68,34,044
II. Other Income	20		<b>6,40,15,255</b>		77,66,009
III. Total Revenue (I+II)			<b>270,99,93,518</b>		<u>269,46,00,053</u>
IV. Expenses					
Cost of Raw Materials and Components consumed	21		<b>157,83,58,500</b>		173,65,46,543
Changes in Inventories of Finished Goods and Work in Progress :	22		<b>2,09,71,313</b>		(2,50,16,049)
Employee Benefits Expenses	23		<b>19,20,92,236</b>		18,22,69,131
Finance Costs	24		<b>17,71,37,054</b>		12,42,40,027
Depreciation		<b>2,16,81,565</b>		2,06,76,700	
Less: Transferred from Revaluation Reserve		<b>2,19,974</b>	<b>2,14,61,591</b>	<u>2,20,268</u>	2,04,56,432
Other Expenses	25		<b>47,87,33,839</b>		<u>38,41,97,556</u>
			<b>246,87,54,533</b>		<u>242,26,93,640</u>
V. Profit before tax (III - IV)			<b>24,12,38,985</b>		27,19,06,413
VI. Tax expense					
- Current Tax		<b>6,46,00,000</b>		7,90,00,000	
- Tax adjustment of previous year		<b>7,66,185</b>		<u>31,59,411</u>	
		<b>6,53,66,185</b>		8,21,59,411	
- Deferred Tax		<b>41,28,115</b>		<u>22,47,047</u>	
			<b>6,94,94,300</b>		<u>8,44,06,458</u>
Profit for the year (V - VI)			<b>17,17,44,685</b>		18,74,99,955
Earnings per share (Face value of Rs 10/- each)					
(a) Basic			<b>21.56</b>		23.53
(b) Diluted			<b>21.56</b>		<u>23.53</u>
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 21, 2014	Membership no. 50051		

# WPIL

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

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### 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 Statements 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

Non-Current 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, 2014 (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 as per the requirement of Accounting Standard – 15 (Revised) on Employee Benefit. 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 cost 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, 2014 (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, 2014	31st March, 2013
	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>

	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><u>79,67,080</u></b>	<b><u>7,96,70,800</u></b>	<u>79,67,080</u>	<u>7,96,70,800</u>

	31st March, 2014		31st March, 2013	
	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 dividend 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, 2014 (contd.)**

	31st March, 2014		31st March, 2013	
	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>55,19,230</b>		55,39,498	
Less: Transferred to Statement of Profit and Loss	<b>2,19,974</b>		<u>2,20,268</u>	
		<b>50,99,256</b>		53,19,230
d) General Reserve As per last Financial Statement	<b>50,00,00,000</b>		34,37,15,302	
Add : Transfer from Surplus	<b>15,00,00,000</b>		<u>15,62,84,698</u>	
		<b>65,00,00,000</b>		50,00,00,000
e) Surplus As per last Financial Statement	<b>25,22,58,951</b>		23,96,85,864	
Add : Profit for the year as per Statement of Profit and Loss	<b>17,17,44,685</b>		<u>18,74,99,955</u>	
	<b>42,40,03,636</b>		<u>42,71,85,819</u>	
Less : Appropriations				
– Transfer to General Reserve	<b>15,00,00,000</b>		15,62,84,698	
– Proposed Dividend	<b>1,59,34,160</b>		1,59,34,160	
– Tax on Dividend	<b>16,428</b>	<b>25,80,53,048</b>	<u>27,08,010</u>	<u>25,22,58,951</u>
		<b>91,45,55,804</b>		<u>75,89,81,681</u>

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### NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)

	31st March, 2014		31st March, 2013	
	Rs.	Rs.	Rs.	Rs.
<b>4 LONG TERM BORROWINGS</b>				
Secured :				
Term Loans :				
a) From Banks [Refer Note A below ]	<b>17,21,829</b>		26,23,840	
Less: Repayable within one year [Secured by hypothecation of Vehicles purchased thereagainst]	<b>9,93,159</b>	<b>7,28,670</b>	<u>9,02,011</u>	17,21,829
b) From Tata Capital Financial Services Ltd. (Refer Note B below)	<b>10,00,00,000</b>		30,00,00,000	
Less: Repayable within one year (Secured by First charge on all movable fixed assets of the Company's units at Panihati and Ghaziabad created /to be created ranking pari passu with the charge created in favour of Banks for their cash credit facility, and personal gurrantee of a Director)	<b>5,00,00,000</b>	<b>5,00,00,000</b>	<u>20,00,00,000</u>	10,00,00,000
Unsecured :				
- From Corporate Bodies		<b>15,15,00,000</b>		<u>20,00,00,000</u>
		<b>20,22,28,670</b>		<u>30,17,21,829</u>

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

- Rs 2,03,233 in 11 equal monthly instalments of Rs 19,555 ending on 05.02.2015.
- Rs 6,87,085 in 19 equal monthly instalments of Rs 39,727 ending on 20.10.2015.
- Rs 3,94,519 in 19 equal monthly instalments of Rs 23,000 ending on 20.10.2015.
- Rs 4,36,992 in 36 equal monthly instalments of Rs 14,233 ending on 01.03.2017.

**Note B** - Repayable in two equal annual instalments of Rs 5 crores each on 20.10.2014 and 20.10.2015.

#### 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. 41,28,115/- for the year in the Statement of Profit and Loss. The Deferred Tax Liability (net) comprises of :

	31st March, 2014		31st March, 2013	
	Rs.	Rs.	Rs.	Rs.
a) Defered Tax Liabilities :				
- Depreciation on Fixed Assets		<b>3,72,99,774</b>		3,21,66,758
b) Deferred Tax Assets :				
- Employees Benefits	<b>32,04,671</b>		24,37,001	
- Others	<b>4,97,860</b>	<b>37,02,531</b>	<u>2,60,629</u>	<u>26,97,630</u>
		<b>3,35,97,243</b>		<u>2,94,69,128</u>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)**

	31st March, 2014	31st March, 2013
	Rs.	Rs.
<b>6 LONG TERM PROVISIONS</b>		
- Leave Encashment [Refer Note 26(k) ]	<b>78,67,822</b>	70,46,757
	<b>78,67,822</b>	70,46,757

	31st March, 2014	31st March, 2013
	Rs.	Rs.
<b>7 SHORT TERM BORROWINGS</b>		
<b>LOANS REPAYABLE ON DEMAND</b>		
(a) Secured		
* Cash Credit from Banks (Secured by first charge by way of hypothecation of 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 movable fixed assets of the Company's units at Panihati and Ghaziabad in favour of Tata Capital Financial Services Limited)	<b>73,21,40,682</b>	48,62,07,758
	<b>73,21,40,682</b>	48,62,07,758
(b) Unsecured		
Short Term Loans from :		
Bank	—	9,26,60,495
	—	9,26,60,495
Total	<b>73,21,40,682</b>	57,88,68,253

\* Includes Foreign Currency Loan of USD 20,06,278.43, equivalent to Rs. 12,11,59,154/-, repayable within six months

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## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)

	31st March, 2014		31st March, 2013	
		Rs.		Rs.
<b>8 TRADE PAYABLES</b>				
a) Acceptances		12,20,67,064		9,01,07,133
b) Sundry Creditors		76,65,25,531		55,46,78,352
* Includes Payables to Related Parties Rs. 23,95,49,686/- (2013-Rs. 11,07,13,273/-) [Refer Note 26(j)]		<u>88,85,92,595</u>		<u>64,47,85,485</u>

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, 2014 ; (2013 – Rs. Nil).

	31st March, 2014		31st March, 2013	
	Rs.	Rs.	Rs.	Rs.
<b>9 OTHER CURRENT LIABILITIES</b>				
a) Current maturities of Long Term Borrowings (Refer Note 4)		5,09,93,159		20,09,02,011
b) Advance from customers		13,63,29,281		29,86,82,927
c) Interest accrued but not due on loans		22,85,606		49,66,425
d) Unclaimed dividends		9,47,149		7,44,369
e) Other Payables *				
Statutory Liabilities		2,78,14,351		2,47,22,973
Deposits		10,56,000		10,56,000
Others		4,99,54,608		3,31,91,298
* Includes Payables to Related Parties Rs. 1,84,51,735/-.(2013- Rs. 2,68,284/-) [Refer Note 26(j)]		<u>7,88,24,959</u>		<u>5,89,70,271</u>
		<u>26,93,80,154</u>		<u>56,42,66,003</u>

	31st March, 2014		31st March, 2013	
	Rs.	Rs.	Rs.	Rs.
<b>10 SHORT TERM PROVISIONS</b>				
a) For Income Tax [Net of Advance Income Tax - Rs 5,88,06,818/-,(2013 - Nil)]		57,93,182		—
b) For Proposed Dividend		1,59,34,160		1,59,34,160
c) For Tax on Proposed Dividend		16,428		27,08,010
d) For Leave Encashment [Refer Note 26(k)]		15,60,455		17,39,805
e) For Warranties [Refer Note 26(f)]		1,08,11,000		91,25,000
		<u>3,41,15,225</u>		<u>2,95,06,975</u>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)**

**11 FIXED ASSETS**

	GROSS BLOCK		DEPRECIATION		NET BLOCK			
	Cost/Valuation As at 31st March, 2013	Additions during the year	Disposals/ Adjustment during the year	As at 31st March, 2014	Upto 31st March, 2013	For the year during the year	Upto 31st March, 2014	As at 31st March, 2014
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>TANGIBLE ASSETS</b>								
Land : Freehold	42,33,840	—	—	42,33,840	—	—	—	42,33,840
Leasehold	57,48,138	—	—	57,48,138	18,26,225	78,108	19,04,333	38,43,805
Buildings (Refer Note A below)	12,13,38,123	2,07,382	—	12,15,45,505	4,13,99,495	38,75,286	4,52,74,781	7,62,70,724
Plant and Machinery (Refer Note B and C below)	27,70,58,580	6,94,25,230	—	34,64,83,810	12,64,44,034	1,26,21,652	13,90,65,686	20,74,18,124
Factory Equipment	30,96,312	—	—	30,96,312	29,93,902	50,589	30,44,491	51,821
Patterns and Moulds	5,40,84,401	—	—	5,40,84,481	4,55,63,149	21,56,928	4,77,20,077	63,64,324
Electrical Installation	1,99,40,825	90,546	—	2,00,31,371	64,51,002	8,40,622	72,91,624	1,27,39,747
Furniture and Fittings	2,74,67,257	4,03,417	—	2,78,70,674	1,27,98,411	14,67,686	1,42,66,097	1,36,04,577
Motor Vehicles	61,01,527	1,85,000	—	62,86,527	12,59,899	5,90,694	18,50,593	44,35,934
Total	51,90,69,003	7,03,11,575	—	58,93,80,578	23,87,36,117	2,16,81,565	26,04,17,682	32,89,62,896
Previous year	51,25,00,310	1,46,86,452	81,17,759	51,90,69,003	21,91,03,733	2,06,76,700	10,44,316	23,87,36,117

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, 2014 on the amounts added on revaluation amounting to Rs. 2,19,974 (2012 - Rs. 2,20,268) 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. 1,07,20,565) acquired for Research and Development purpose.

Note - C : Additions during the year Includes adjustment of loss of Rs. 5,45,094 on account of Exchange rate variation.

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## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (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	WPIL Pte International Ltd. Singapore
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, 2014		31st March, 2013	
Rs.	Rs.	Rs.	Rs.
	2,11,81,500		2,11,81,500
	10,87,18,960		10,87,18,960
	24,56,19,225		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
	<b>37,95,35,685</b>		<b>37,89,22,585</b>

### 13 LONG TERM LOANS AND ADVANCES - UNSECURED

(Considered good)

#### a) Security Deposits :

- Earnest Money Deposit
- Others

#### b) Other Advances

31st March, 2014		31st March, 2013	
Rs.	Rs.	Rs.	Rs.
1,39,29,497		95,70,453	
7,03,698	1,46,33,195	7,90,046	1,03,60,499
	<b>4,12,50,000</b>		<b>4,12,50,000</b>
	<b>5,58,83,195</b>		<b>5,16,10,499</b>

### 14 INVENTORIES

(at lower of cost or net realisable value)

- a) Raw Materials and Components [Refer Note A & B]
- b) Work-in-Progress
- c) Finished Goods
- d) Stores and Spare Parts

31st March, 2014		31st March, 2013	
Rs.	Rs.	Rs.	Rs.
	14,47,45,162		13,86,31,085
	8,93,95,829		9,81,27,031
	—		1,22,40,111
	97,67,437		84,59,219
	<b>24,39,08,428</b>		<b>25,74,57,446</b>

Note - A : Includes materials lying with third parties Rs 1,18,68,893/- (2013 - Rs. 1,99,08,067/-)

Note - B : Includes Stock-in-transit Rs. 28,827/- (2013 - NIL).



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2014(contd.)**

**15 TRADE RECEIVABLES  
– UNSECURED  
(CONSIDERED GOOD)\***

- a) Debts outstanding for a period exceeding six months  
b) Other Debts  
\* Includes Receivables from Related Parties  
Rs. 4,32,12,437/- (2013-Rs. 6,66,48,824/-)  
[Refer Note 26(j)]

31st March, 2014		31st March, 2013	
Rs.	Rs.	Rs.	Rs.
	<b>45,15,26,085</b>		30,87,80,876
	<b>136,30,18,395</b>		142,96,07,182
	<b>181,45,44,480</b>		<b>173,83,88,058</b>

**16 CASH AND CASH EQUIVALENTS**

- a) Balance with Banks :  
– In Current Account  
b) Cash - in - hand \*  
c) Other Bank balances  
– On Unclaimed Dividend Account  
– On Bank Deposits with less than 12 months maturity (pledged with Bank)

\* As certified by the Management

31st March, 2014		31st March, 2013	
Rs.	Rs.	Rs.	Rs.
	<b>24,31,180</b>		1,55,57,177
	<b>14,17,788</b>		28,64,538
	<b>9,47,149</b>		7,44,369
	<b>51,44,384</b>		50,00,000
	<b>99,40,501</b>		<b>2,41,66,084</b>

**17 SHORT TERM LOANS AND ADVANCES  
– UNSECURED (CONSIDERED GOOD)**

- a) Loans and Advances to Related Parties  
[Refer Note 26(j)]  
b) Others :  
– Balance with Central Excise authority  
– Balance with Sales tax authorities  
– Others\*  
\* Includes Capital Advance Rs 3,85,000/-  
(2013- Rs. 14,79,365/-) [Refer Note 26(b)]  
c) Advance payment of Income - Tax  
[Net of Provision for Income Tax - Rs. Nil,  
(2013 - Rs. 790 lacs)]

31st March, 2014		31st March, 2013	
Rs.	Rs.	Rs.	Rs.
	<b>17,26,35,400</b>		11,23,22,000
	<b>7,72,66,481</b>		6,93,89,735
	<b>1,71,74,140</b>		1,63,35,537
	<b>2,39,95,604</b>		2,64,17,168
	<b>11,84,36,225</b>		11,21,42,440
			96,02,587
	<b>29,10,71,625</b>		<b>23,40,67,027</b>

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## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)

### 18 OTHER CURRENT ASSETS

– Interest Receivables\*

\* Includes Receivables from Related Parties  
Rs. 3,37,84,277/- (2013- Rs. 1,21,09,929/-)  
[Refer Note 26(j)]

31st March, 2014		31st March, 2013	
Rs.	Rs.	Rs.	Rs.
	<b>3,39,66,888</b>		1,23,38,728
	<b>3,39,66,888</b>		1,23,38,728

### 19 REVENUE FROM OPERATIONS

a) Sale of Products [Refer Note 26(j)]

– Pumps

– Spare Part of Pumps

– Grey Iron Castings

– Accessories of Pumps

– Others

b) Sale of Services

c) Other Operating Revenues :

– Duty Drawback

31st March, 2014		31st March, 2013	
Rs.	Rs.	Rs.	Rs.
<b>112,58,87,709</b>		94,49,45,023	
<b>46,36,11,111</b>		62,16,09,849	
<b>67,24,942</b>		67,80,415	
<b>103,47,28,508</b>		111,42,16,900	
<b>98,59,319</b>	<b>264,08,11,589</b>	1,08,50,426	269,84,02,613
	<b>6,23,01,849</b>		7,01,22,229
	<b>3,21,12,081</b>		5,71,183
	<b>273,52,25,519</b>		276,90,96,025

### 20 OTHER INCOME

a) Interest Income (Gross) [Refer Note 26(j)]  
(TDS - Rs.57,007/- ; 2013 - Rs 25,228/-)

b) Net Gain/(loss) on Foreign currency  
translation and transactions

c) Claims and Compensations received

d) Rent income [Refer Note 26(j)]  
(TDS - Rs.3,23,700 /-; 2013 - Rs 3,12,000/-)

e) Commission Income [Refer Note 26(j)]

f) Dividend Received [Refer Note 26(j)]

g) Service Charge for Corporate Gurrantee  
[Refer Note 26(j)]

h) Sundry Income

i) Liability no longer required, written back

31st March, 2014		31st March, 2013	
Rs.	Rs.	Rs.	Rs.
<b>1,07,61,130</b>			50,34,788
<b>3,76,902</b>		(86,60,794)	
<b>29,20,782</b>		—	
<b>32,37,000</b>		31,20,000	
<b>1,28,79,563</b>		—	
<b>2,42,37,500</b>		—	
<b>87,80,870</b>		75,80,693	
<b>5,45,888</b>		6,91,322	
<b>2,75,620</b>		—	
<b>6,40,15,255</b>		77,66,009	

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2014(contd.)**

	Year ended 31st March, 2014	Year ended 31st March, 2013
	Rs.	Rs.
<b>21 COST OF RAW MATERIALS AND COMPONENTS CONSUMED</b>		
a) Pig Iron/Ferrous Scrap	2,41,86,681	3,38,01,650
b) Cables & Winding Wires	2,25,79,030	1,90,22,085
c) Pipes & Tubes	3,15,76,615	7,89,95,129
d) Steel Shafting	12,35,13,113	9,64,96,205
e) Bronze & Other Metal Ingots	1,69,00,214	1,80,79,091
f) Motors, Engines & Starters	39,40,45,146	29,78,03,627
g) Valves	2,89,78,731	7,86,91,311
h) C.I.Castings	5,64,52,373	8,10,28,944
i) M.S.Sheets	13,34,34,145	12,44,92,838
j) Steel/Alloy Steel Castings	13,27,54,086	19,11,25,134
k) Stampings	51,06,223	—
l) Spare & Others	60,88,32,143	71,70,10,529
	<u>157,83,58,500</u>	<u>173,65,46,543</u>

	Year ended 31st March, 2014	Year ended 31st March, 2013
	Rs.	Rs.
<b>22 CHANGE IN INVENTORIES OF FINISHED GOODS &amp; WORK IN PROGRESS</b>		
Opening 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
Closing Stock :		
– Work in Progress	8,93,95,829	9,81,27,031
– Finished Goods	—	1,22,40,111
	8,93,95,829	11,03,67,142
	<u>2,09,71,313</u>	<u>(2,50,16,049)</u>

	Year ended 31st March, 2014	Year ended 31st March, 2013
	Rs.	Rs.
<b>23 EMPLOYEE BENEFIT EXPENSES</b>		
a) Salaries and Wages	16,56,07,198	15,29,78,961
b) Contribution to Provident and Other Funds	1,24,37,203	1,66,25,320
c) Staff Welfare Expense	1,40,47,835	1,26,64,850
	<u>19,20,92,236</u>	<u>18,22,69,131</u>

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## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)

### 24 FINANCE COST

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

\* Includes Rs.2,49,53,728 on Fixed Loans;  
(2013 - Rs 4,19,49,629)

Year ended 31st March, 2014		Year ended 31st March, 2013	
Rs.		Rs.	
	<b>13,15,07,710</b>		9,77,63,682
	<b>2,24,12,370</b>		1,93,70,240
	<b><u>2,32,16,974</u></b>		<u>71,06,105</u>
	<b><u>17,71,37,054</u></b>		<u>12,42,40,027</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 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 (net)

Year ended 31st March, 2014		Year ended 31st March, 2013	
Rs.	Rs.	Rs.	Rs.
	<b>4,73,98,488</b>		4,61,10,547
	<b>10,15,383</b>		13,38,483
	<b>4,48,43,612</b>		3,29,29,992
	<b>10,79,16,154</b>		9,35,56,212
	<b>1,97,26,821</b>		1,73,19,108
	<b>1,94,14,983</b>		1,88,67,574
	<b>51,19,840</b>		47,46,701
	<b>51,22,572</b>		51,71,397
	<b>29,27,092</b>		24,71,300
	<b>23,10,254</b>		21,10,331
	<b>59,42,134</b>		44,33,430
	<b>3,17,50,977</b>		3,02,73,357
	—		14,04,596
	<b>3,11,11,757</b>		2,87,44,707
	<b>2,16,45,471</b>		1,21,11,357
	<b>2,43,003</b>		3,84,478
	<b>1,89,91,204</b>		3,87,506
	<b>1,58,33,438</b>		1,04,99,684
	<b>4,67,82,117</b>		3,35,87,371
	<b>44,87,744</b>		9,96,763
	<b>60,000</b>		60,000
	<b>3,50,000</b>		4,00,000
	<b>5,60,000</b>		5,60,000
	<b>1,75,001</b>		2,52,504
	<b>45,000</b>		49,440
	<b>7,80,001</b>		8,61,944
	<b>3,65,67,640</b>		3,49,81,507
	<b>84,93,154</b>		4,49,211
	<b><u>47,87,33,839</u></b>		<u>38,41,97,556</u>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2014 (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. 3,85,000), (2013. Rs. 14,79,365)
- 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
  - Income Tax matters under appeal
  - Excise Duty matters under dispute
  - Bank Guarantee outstanding
  - Corporate Guarantee outstanding

<b>31st March, 2014</b>	<b>31st March, 2014</b>	<b>31st March, 2013</b>	<b>31st March, 2013</b>
	<b>Rs.</b>		<b>Rs.</b>
	—	10,60,816	
	<b>4,38,484</b>	1,55,14,956	
	<b>17,63,174</b>	17,16,402	
	<b>1,78,56,565</b>	2,53,19,271	
	<b>28,98,918</b>	—	
	<b>1,92,908</b>	1,92,908	
	<b>59,30,97,125</b>	50,60,95,210	
	<b>112,44,61,800</b>	101,34,86,600	

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, 2014 amounts to Rs. 2,41,63,431/- ( 2013 – Rs. 2,30,97,562/- ). A total sum of Rs. 5,16,03,560/- (including Rs. 2,65,000/- 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. 94,11,131/- have been incurred against earlier provisions and Rs. 1,08,11,000/- have been provided.

g) Research and Development Expenses

Research and Development Expenses relating to revenue nature aggregating to Rs. 77.38 lacs (2013 - Rs 74.32 lacs) have been charged to respective heads of accounts in the Statement of Profit and Loss. There was no expenditure incurred during the year in capital nature (2013 - Rs. 3.78 lacs).

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, 2014</b>	<b>31st March, 2014</b>	<b>31st March, 2013</b>	<b>31st March, 2013</b>
<b>17,17,44,685</b>		18,74,99,955	
<b>10.00</b>		10.00	
<b>79,67,080</b>		79,67,080	
<b>21.56</b>		23.53	

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## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (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 :

	2013-14	2012-13
	(Rs. in Lacs)	(Rs. in Lacs)
	Unaudited	
- Shareholders' Fund	636.96	612.38
- Assets	1,558.63	1,197.01
- Liabilities	921.67	584.63
- Income	1,341.43	1,616.37
- Expenses	995.70	1,273.70

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 Pte Ltd. - Singapore (WPIL-Sing.)
  - Mody Industries (F.C.) Private Limited (Mody)
- iii) Stepdown Subsidiaries
  - Mathers Foundry Limited, U.K. (Mathers)
  - WPIL SA Holding Pty Limited
  - APE Pumps Pty Limited (APE Pumps)
  - Mather & Platt (SA) Pty Limited
  - PSV Services Pty Limited
  - PSV Properties 2 Pty Limited
  - PSV Zambia Limited (Zambia)
  - Global Pumps Services (FZE)

} Since merged with APE Pumps  
w.e.f 31.12.2012
- 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
  - 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, 2014 (contd.)**

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

	Joint Venture		Subsidiary and Stepdown Subsidiary					Companies over which control /significant influence of key management personnel exists			Key management personnel of the Company
	Clyde	Sterling	Maths	APEPumps	Mody	WPIL -Sing	BengalSteel	HUL	WPIL-Thy	Rs.	
Sale of Products	Rs. 63,11,657 (2,79,59,400)	Rs. 61,46,539 (4,85,48,651)	Rs. (Nil)	Rs. 96,74,835 (Nil)	Rs. (Nil)	Rs. (Nil)	Rs. (Nil)	Rs. 49,68,815 (2,63,36,892)	Rs. 46,28,148 (2,97,03,611)	Rs. (Nil)	
Interest income	(Nil)	10,03,983 (10,01,894)	(Nil)	(Nil)	(Nil)	89,72,486 (28,79,662)	(Nil)	(Nil)	(Nil)	(Nil)	
Rs. received	32,37,000 (31,20,000)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	
Commission received	(Nil)	(Nil)	(Nil)	(Nil)	1,28,79,563	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	
Dividend received	84,00,000 (Nil)	(Nil)	(Nil)	1,58,37,500	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	
Service charge for Corporate Guarantee	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	87,80,870 (75,80,693)	(Nil)	(Nil)	(Nil)	(Nil)	
Purchase of Goods	(2,46,804)	(1,45,399)	(Nil)	9,98,28,000 (Nil)	31,97,524 (71,030)	(Nil)	(Nil)	20,59,13,449 (26,29,79,957)	5,40,322 (Nil)	(Nil)	
Interest Paid	(Nil)	(Nil)	(Nil)	(Nil)	14,00,547 (Nil)	(Nil)	(Nil)	17,18,836 (21,41,096)	(Nil)	(Nil)	
Electricity charges paid	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	
Rent paid	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	48,00,000 (48,00,000)	(Nil)	(Nil)	
Discount Allowed	(Nil)	11,56,977	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	7,77,120 (Nil)	(Nil)	
Commission payment	(Nil)	89,25,464 (Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	
Amenities paid	25,124 (Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	
Dividend paid	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	3,92,884 (3,92,884)	
Sale of Fixed Assets	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	
Purchase of Fixed Assets	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	1,15,88,327 (Nil)	(Nil)	(Nil)	
Investments made	(Nil)	(Nil)	(Nil)	(Nil)	6,13,100 (24,50,06,125)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	
Loans given	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	
Remuneration, Commission and Sitting Fees - Mr. P. Agarwal	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	46,88,541 (43,58,769)	
- Mr. K. K. Ganerivala	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	34,78,906 (29,70,122)	
- Mr. V. N. Agarwal	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	1,08,000 (1,08,000)	

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)**

**j. Related Party Transactions (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	APEPumps	Mody	WPIL -Sing	BengalSteel	HUL	WPIL-Thy	Rs.	
<b>As at March 31st, 2014</b>											
Trade Receivables	1,16,78,040 (1,72,31,608)	47,84,766 (1,42,85,537)	— (Nil)	96,81,209 (Nil)	— (Nil)	— (Nil)	— (Nil)	1,07,66,777 (88,14,781)	63,01,645 (2,63,16,898)	— (Nil)	— (Nil)
Other receivable	— (Nil)	17,21,954 (7,12,730)	— (Nil)	— (Nil)	22,47,129 (Nil)	2,98,15,194 (1,13,89,199)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)
Trade Payables	— (4,88,335)	12,02,715 (10,82,523)	— (Nil)	9,98,28,000 (Nil)	32,62,527 (71,030)	— (Nil)	— (Nil)	13,47,45,001 (10,90,71,385)	5,11,443 (Nil)	— (Nil)	— (Nil)
Other Payables	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	32,75,520 (1,93,019)	1,51,76,215 (75,265)	— (Nil)	— (Nil)	— (Nil)
Investments	40,00,000 (40,00,000)	2,11,81,500 (2,11,81,500)	— (Nil)	— (Nil)	24,56,19,225 (24,50,06,125)	10,87,18,960 (10,87,18,960)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)
Loan outstanding	— (Nil)	1,65,84,000 (1,66,60,000)	— (Nil)	— (Nil)	— (Nil)	15,60,51,400 (9,34,62,000)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)
Corporate Gurrantee <sup>o</sup> outstanding	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	112,44,61,800 (101,34,86,600)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)
Personal Gurranteee Issued by Mr. P. Agarwal	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	30,00,00,000 (80,00,00,000)
Bank Gurranteee issued	— (Nil)	— (Nil)	— (1,38,74,000)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)**

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

(Rupees in Lacs)

	Year ended 31st March, 2014		Year ended 31st March, 2013		
	Gratuity	Leave Encash- ment	Gratuity	Leave Encash- ment	
<b>A) Components of Employer Expenses :-</b>					
1. Current Service Cost	19.28	2.19	18.08	2.95	
2. Interest Cost	20.79	7.91	17.56	5.74	
3. Expected Return on Plan Assets	(1.02)	—	(1.14)	—	
4. Actuarial (Gain) / Loss	(25.25)	8.36	11.00	18.43	
5. Past Service Cost	—	—	—	—	
6. Expenses recognized in the Statement of Profit and Loss	13.80	18.46	45.50	27.12	
<b>B) Net Assets/(Liability) recognised in the Balance Sheet as at 31st March :-</b>					
1. Present value of obligation as at 31st March	241.63	94.28	230.98	87.87	
2. Fair value of Plan Assets as at 31st March	(8.78)	—	(11.15)	—	
3. (Assets)/Liability recognized in the Balance Sheet	232.85	94.28	219.83	87.87	
<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	230.98	87.87	219.48	71.70	
2. Current Service Cost	19.28	2.19	18.08	2.95	
3. Interest Cost	20.79	7.91	17.56	5.74	
4. Past Service Cost	—	—	—	—	
5. Actuarial (Gain) / Loss	(25.53)	8.36	10.65	18.43	
6. Benefits paid	(3.89)	(12.05)	(34.79)	(10.95)	
7. Present value of obligation at the end of the year	241.63	94.28	230.98	87.87	
<b>D) Change in the Fair Value of Plan Assets :-</b>					
1. Plan Assets at the beginning of the year	11.15	—	12.50	—	
2. Actual return on Plan Assets	1.02	—	1.14	—	
3. Actuarial gain / (loss) on plan assets	(0.28)	—	(0.36)	—	
4. Actual Company's contribution	0.78	12.04	32.65	10.95	
5. Benefits paid	(3.89)	(12.04)	(34.79)	(10.95)	
6. Fair value of Plan Assets at the end of the year	8.78	—	11.15	—	
<b>E) Actuarial assumptions :-</b>					
1. Discount rate (p.a)	9.00%	9.00%	8.00%	8.00%	
2. Expected rate of return (p.a)	8.75%	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>2013 - 14</b>	2012 - 13	2011 - 12	2010 - 11	2009 - 10
1. Defined Benefit Obligation as at 31st March	241.63	230.98	219.48	215.05	213.07
2. Plan Asset as at 31st March	8.78	11.15	12.50	7.62	11.25
3. Surplus / (Deficit)	(232.85)	(219.83)	(206.98)	(207.43)	(201.82)
4. Experience adjustment on Plan Assets	(0.27)	(0.36)	1.16	—	—
5. Experience adjustment on Plan Liabilities	(16.01)	10.65	3.45	(41.86)	(23.82)

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## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)

	2013-14 (Rs.)	2012-13 (Rs.)
I) Segment Reporting : <b>By Geographical Segment</b>		
<b>Segment Revenue</b>		
- India	231,09,33,148	230,75,05,254
- Outside India	42,42,92,371	46,15,90,771
Total	273,52,25,519	276,90,96,025
<b>Segment Assets</b>		
- India	162,10,73,950	151,04,56,812
- Outside India	19,34,70,530	22,79,31,246
Total	181,45,44,480	173,83,88,058

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 customers, i.e. domestic and export sales.
- The segmentwise revenue and assets 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 31.03.2014		Year ended 31.03.2013	
	Percentage	Value Rs.	Percentage	Value Rs.
(i) Indigenous	86%	136,10,54,417	93%	161,16,20,001
(ii) Imported	14%	21,73,04,083	7%	12,49,26,542
	100%	157,83,58,500	100%	173,65,46,543
n) <b>Value Stores and Spare Parts Consumed</b> (100% indigenous)	100%	4,73,98,488	100%	4,61,10,547
		<b>Year ended 31.03.2014</b>		<b>Year ended 31.03.2013</b>
o) <b>Expenditure in Foreign Currency in connection with</b>		<b>Rs.</b>		<b>Rs.</b>
(i) Foreign Business Tour		58,92,095		58,30,417
(ii) Commission expenses		3,36,00,576		1,96,39,438
(iii) Interest expenses		70,17,945		1,14,43,326
(iv) Others		3,94,07,649		18,70,284
		8,59,18,265		3,87,83,465

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)**

	<b>Year ended 31.03.2014 Rs.</b>	<b>Year ended 31.03.2013 Rs.</b>
<b>p) Earning in Foreign Exchange in respect of :</b>		
(i) Foreign Business Tour	<b>39,13,94,939</b>	44,93,70,528
(ii) Commission expenses	<b>2,83,50,138</b>	—
(iii) Interest expenses	<b>99,76,469</b>	38,81,556
(iv) Others	<b>87,80,870</b>	83,38,687
	<b><u>43,85,02,416</u></b>	<u>46,15,90,771</u>
<b>q) C.I.F. Value of Imports :</b>		
(i) Raw Materials & Components	<b>22,46,45,689</b>	12,50,52,696
(ii) Machinery	<b>2,41,07,015</b>	1,22,06,024
	<b><u>24,87,52,704</u></b>	<u>13,72,58,720</u>
	<b><u>2013-14</u></b>	<u>2012-13</u>
<b>r) Dividend remitted to Non-resident Shareholders in Foreign Currency :</b>		
(i) Number of Non – resident shareholders	<b>17</b>	20
(ii) Number of Shares held by Non – resident shareholders	<b>15,014</b>	19,998
(iii) Amount remitted for the year (Rs.)	<b>30,028</b>	39,996
(iv) Financial year to which Dividend relates	<b>2012 - 13</b>	2011 - 12

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

Signature to Notes 1 to 26.

Place : Kolkata Date : May 21, 2014	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
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# WPIL

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2014

	Year ended 31st March, 2014		Year ended 31st March, 2013	
	Rs.	Rs.	Rs.	Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>				
<b>Net Profit before Tax and Extraordinary Items</b>		<b>24,12,38,985</b>		27,19,06,413
Adjustment for:				
(Profit)/Loss on sale of Fixed Assets	—		14,04,596	
(Gain)/Loss on Foreign Exchange	(1,52,23,014)		(95,85,243)	
Depreciation	2,14,61,591		2,04,56,432	
Interest income	(1,07,61,130)		(50,34,788)	
Dividend income	(2,42,37,500)		—	
Liabilities no longer required written back	(2,75,620)		—	
Bad debts/Advances written off (net)	84,93,154		9,24,057	
Interest charge	13,15,07,710	11,09,65,191	9,77,63,682	10,59,28,736
<b>Operating Profit before Working Capital Changes</b>		<b>35,22,04,176</b>		37,78,35,149
Adjustment for:				
Trade and other receivables	(14,92,15,070)		(19,29,62,287)	
Inventories	1,35,49,018		4,14,16,342	
Trade payables	10,39,11,487	(3,17,54,565)	4,63,69,502	(10,51,76,443)
<b>Cash Generated from Operations</b>		<b>32,04,49,611</b>		27,26,58,706
Tax paid		(4,99,70,412)		(8,76,77,306)
<b>Net Cash from Operating Activities</b>		<b>27,04,79,199</b>		18,49,81,400
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>				
Purchase of Fixed Assets	(5,76,13,278)		(3,17,20,049)	
Sale of Fixed Assets	—		56,68,847	
Purchase of Investments	(6,13,100)		(29,61,57,085)	
Interest Received	1,60,969		18,95,323	
Dividend Received	2,42,37,500		—	
<b>Net Cash used in Investing Activities</b>		<b>(3,38,27,909)</b>		(32,03,12,964)

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST MARCH, 2014**

	Year ended 31st March, 2014		Year ended 31st March, 2013	
	Rs.	Rs.	Rs.	Rs.
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>				
Proceeds from Long Term Borrowing	9,00,00,000		38,18,47,933	
Repayments of Long Term Borrowing	(33,94,02,011)		(26,06,01,677)	
Proceeds from Short Term Borrowing	24,38,13,552		13,56,00,051	
Repayments of Short Term Borrowing	(9,26,60,495)		—	
Dividend paid	(1,57,31,380)		(1,57,30,192)	
Dividend Tax paid	(27,08,010)		(25,84,920)	
Interest paid	(13,41,88,529)		(9,68,46,848)	
<b>Net Cash used in Financing Activities</b>	<b>(25,08,76,873)</b>		<b>14,16,84,347</b>	
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(1,42,25,583)</b>		<b>63,52,783</b>	
<b>Cash and Cash Equivalents (Opening balance)</b>	<b>2,41,66,084</b>		<b>1,78,13,301</b>	
<b>Cash and Cash Equivalents (Closing balance)</b>	<b>99,40,501</b>		<b>2,41,66,084</b>	

**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)

	31.03.2014	31.03.2013
	Rs.	Rs.
2. Cash & cash equivalents include :		
– Cash in hand	14,17,788	28,64,538
– With Scheduled Banks :		
On Current Accounts	24,31,180	1,55,57,177
On Unclaimed Dividend A/C	9,47,149	7,44,369
On Fixed Deposit A/cs	51,44,384	50,00,000
	<b>99,40,501</b>	<b>2,41,66,084</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 K.K. GANERIWALA U. CHAKRAVARTY	Managing Director Executive Director General Manager (Finance) & Company Secretary
Date : May 21, 2014	(V. K. SINGHI) Partner Membership no. 50051		

# WPIL

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

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### **Report on the Consolidated Financial Statement**

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, 2014, 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 Standards notified under the Companies Act, 1956 (which continues to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs). 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 consolidated financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the consolidated 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, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.

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 consolidated financial statements.

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

### **Other Matters**

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 Zambia Ltd (Zambia) 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 the Joint Venture Company namely Clyde Pump India Private Limited. Their

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

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Financial Statements reflect the Group's share of Total Assets of Rs.2,985.13 Lakhs as at 31st March, 2014 and the Group's share of Total Revenues of Rs. 3,844.67 Lakhs for the year ended on that date, and Net Cash Outflows of Rs. 321.70 Lakhs for the year ended on that date. These Financial Statements and other financial information have been derived from the Unaudited Financial 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. 20,877.79 Lakhs as at 31st March, 2014 and the Group's share of Total Revenues of Rs. 21,199.04 Lakhs for the year ended on that date, and Net Cash Inflows of Rs. 1,756.19 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, 2014;
- (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

Dated : 21st May, 2014

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

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

# WPIL

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2014

	Note No.	31st March, 2014		31st March, 2013	
		Rs.	Rs.	Rs.	Rs.
<b>I. EQUITY AND LIABILITIES</b>					
<b>1) Shareholders' Funds</b>					
a) Share Capital	2	<b>7,96,70,800</b>		7,96,70,800	
b) Reserves and Surplus	3	<b>128,26,89,088</b>	<b>136,23,59,889</b>	<u>102,54,89,091</u>	110,51,59,891
<b>2) Minority Interest</b>					
			<b>34,63,96,538</b>		26,68,68,121
<b>3) Non - Current Liabilities</b>					
a) Long-term Borrowings	4	<b>79,34,76,745</b>		98,60,21,274	
b) Deferred Tax Liabilities (net)	5	<b>2,92,10,598</b>		1,28,78,973	
c) Long-term Provisions	6	<b>92,25,122</b>	<b>83,19,12,465</b>	<u>73,50,968</u>	100,62,51,215
<b>4) Current Liabilities</b>					
a) Short-term Borrowings	7	<b>79,66,96,215</b>		62,85,14,247	
b) Trade Payables	8	<b>103,35,52,014</b>		89,35,20,857	
c) Other Current Liabilities	9	<b>78,40,44,572</b>		88,04,37,827	
d) Short-term Provisions	10	<b>4,91,64,411</b>	<b>266,34,57,212</b>	<u>4,45,75,926</u>	244,70,48,857
<b>Total</b>			<b>520,41,26,104</b>	<u>482,53,28,084</u>	<u>482,53,28,084</u>
<b>II. ASSETS</b>					
<b>1) Non - Current Assets</b>					
a) Fixed Assets					
i) Tangible Assets	11	<b>112,73,57,649</b>		94,40,97,240	
ii) Intangible Assets		<b>40,37,32,537</b>		42,30,14,453	
iii) Capital Work-in-Progress		<b>43,35,303</b>		<u>1,70,33,598</u>	
		<b>153,54,25,489</b>		<u>138,41,45,291</u>	
b) Non - Current Investments	12	<b>16,000</b>		16,000	
c) Long - term Loans and Advances	13	<b>5,77,56,900</b>	<b>159,31,98,390</b>	<u>5,39,62,122</u>	143,81,23,413
<b>2) Current Assets</b>					
a) Inventories	14	<b>75,82,10,509</b>		73,79,55,779	
b) Trade Receivables	15	<b>236,62,25,645</b>		221,38,98,226	
c) Cash and Cash Equivalents	16	<b>18,34,71,881</b>		12,48,53,321	
d) Short - term Loans and Advances	17	<b>25,50,62,811</b>		21,30,38,964	
e) Other Current Assets	18	<b>4,79,56,869</b>	<b>361,09,27,715</b>	<u>9,74,58,381</u>	338,72,04,671
<b>Total</b>			<b>520,41,26,104</b>	<u>482,53,28,084</u>	<u>482,53,28,084</u>

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	PRAKASH AGARWAL	Managing Director
	(V. K. SINGHI)	K.K. GANERIWALA	Executive Director
Place : Kolkata	Partner	U. CHAKRAVARTY	General Manager (Finance)
Date : 21st May 2014	Membership no. 50051		& Company Secretary



**CONSOLIDATED STATEMENT OF PROFIT AND LOSS  
FOR THE YEAR ENDED 31ST MARCH, 2014**

	Note No.	Year ended 31st March, 2014		Year ended 31st March, 2013	
		Rs.	Rs.	Rs.	Rs.
<b>I. Revenue from Operations</b>	19	<b>520,53,33,131</b>		<b>518,36,57,497</b>	
Less : Excise Duty		<u>9,48,16,767</u>	<b>511,05,16,364</b>	<u>8,80,14,906</u>	509,56,42,591
<b>II. Other Income</b>	20		<b>1,77,76,266</b>		24,34,05,476
<b>III. Total Revenue (I + II)</b>			<b>512,82,92,630</b>		<u>533,90,48,067</u>
<b>IV. Expenses</b>					
Cost of Raw Materials and Components consumed	21		<b>272,68,00,228</b>		296,66,35,267
Changes in Inventories of Finished Goods and Work in Progress :	22		<b>(14,56,75,185)</b>		(12,48,64,519)
Employee Benefits Expenses	23		<b>81,81,64,224</b>		77,62,83,759
Finance Cost	24		<b>23,01,24,321</b>		19,38,36,429
Depreciation	11	<b>6,76,99,000</b>		<u>6,75,97,185</u>	
Less: Transferred from Revaluation Reserve		<u>2,19,974</u>	<b>6,74,79,026</b>	<u>2,20,268</u>	6,73,76,917
Other Expenses	25		<b>89,52,21,953</b>		<u>77,87,55,973</u>
			<b>459,21,14,567</b>		465,80,23,826
<b>V. Profit before tax (III - IV)</b>			<b>53,61,78,063</b>		<u>68,10,24,241</u>
<b>VI. Tax expense</b>					
- Current Tax		<b>11,93,01,219</b>		<u>11,39,09,638</u>	
- Tax adjustment of previous year		<u>13,56,937</u>		<u>75,96,902</u>	
		<b>12,06,58,156</b>		<u>12,15,06,540</u>	
- Deferred Tax		<u>1,73,21,759</u>		<u>74,37,885</u>	
		<b>13,79,79,915</b>		<u>12,89,44,425</u>	
- Tax Expense of Joint Venture		<u>1,13,93,787</u>	<b>14,93,73,702</b>	<u>60,00,000</u>	13,49,44,425
<b>Profit after tax before share of Minority</b>			<b>38,68,04,361</b>		54,60,79,816
<b>Interests for the year (V - VI)</b>			<b>8,46,52,893</b>		<u>13,65,05,022</u>
Less: Minority Interests			<u>8,46,52,893</u>		<u>40,95,74,794</u>
<b>Profit for the year</b>			<b>30,21,51,468</b>		
Earnings per share (Face value of Rs 10/- each)					
(a) Basic			37.92		51.41
(a) Diluted			37.92		51.41

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	PRAKASH AGARWAL	Managing Director
	(V. K. SINGHI)	K.K. GANERIWALA	Executive Director
Place : Kolkata	Partner	U. CHAKRAVARTY	General Manager (Finance)
Date : 21st May 2014	Membership no. 50051		& Company Secretary

### 1 SIGNIFICANT ACCOUNTING POLICIES

#### a) ACCOUNTING CONVENTION

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 statements 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 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 using straight-line method over their expected useful lives as per prevalent policies of the respective Companies.

The excess of the cost to the Company of its investments 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.

#### 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 purposes of arriving at impairment loss thereon, being the difference in the book value and the recoverable value of the relevant assets. Impairment loss, when crystallizes, are charged against revenues for the year.

#### d) LEASING

In Subsidiary Company(ies) the Assets obtained 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 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.

Leases of assets under which all the risks and benefits of ownership are effectively retained by the Lessor are classified as Operating Leases. Rentals under operating leases are charged to the Statement of Profit and Loss on a straight line basis over the lease term.

#### e) INVESTMENTS

Non Current Investments are stated at cost unless there is a permanent diminution in value.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014**

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**SIGNIFICANT ACCOUNTING POLICIES (contd.)****f) 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, except in case of a subsidiary company where it is valued at cost or realizable value whichever is lower.

**g) RESEARCH AND 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.

**h) 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 recognized as exchange difference and the premium paid on forward contracts is recognized 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.

**i) RETIREMENT BENEFITS**

The Company contributes to Provident Fund and Superannuation Fund which is administered by duly constituted and approved 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 as per the requirements of Accounting Standard – 15 (Revised) on Employee Benefits. 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 requirements 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.

### SIGNIFICANT ACCOUNTING POLICIES (contd.)

**j) 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.

**k) 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.

**l) 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.

**m) 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.

**n) 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 applicable Income Tax Act. Deferred tax 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 recognized 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 recognized 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.

**o) 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.

**p) PRINCIPLES OF CONSOLIDATION**

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

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)**

**SIGNIFICANT ACCOUNTING POLICIES (contd.)**

“Consolidated 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:-

- (i) 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.
- (ii) 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.
- (iii) The difference between the costs 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 maybe.
- (iv) The translation of the foreign currencies into Indian Rupees (reporting currency) is performed for equity in the foreign subsidiaries and joint venture, 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 Exchange Translation Reserve Account) by the Company until the disposal of investment.
- (v) 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.

	<b>31st March, 2014</b>	<b>31st March, 2013</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>2 SHARE CAPITAL</b>		
<b>(a) Authorised</b>		
98,60,000 Ordinary Shares of Rs. 10/- each	<b>9,86,00,000</b>	<b>9,86,00,000</b>
14,000 11% Redeemable Cumulative Preference Shares of Rs. 100/- each	<b>14,00,000</b>	<b>14,00,000</b>
	<b><u>10,00,00,000</u></b>	<b><u>10,00,00,000</u></b>
<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>	<b><u>7,96,70,800</u></b>

# WPIL

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)

	31st March, 2014		31st March, 2013	
	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	—		2,07,34,075	
Less: Adjusted on consolidation during the year	—	—	2,07,34,075	—
d) Revaluation Reserve As per last Financial Statement	<b>53,19,230</b>		55,39,498	
Less: Transferred to Statement of Profit and Loss	<b>2,19,974</b>	<b>50,99,256</b>	2,20,268	53,19,230
e) General Reserve As per last Financial Statement	<b>50,00,00,000</b>		34,37,15,302	
Add : Transfer from Surplus	<b>15,46,64,986</b>	<b>65,46,64,986</b>	15,62,84,698	50,00,00,000
f) Surplus As per last Financial Statement	<b>49,96,62,535</b>		26,50,14,609	
Add: Transfer from Revaluation Reserve	—		—	
Add: Profit for the year as per Statement of Profit and Loss (including share of Joint Ventures of Rs. 2,37,71,101)	<b>30,21,51,468</b>		40,95,74,794	
Less: Share of Joint Ventures	<b>80,18,14,002</b>		67,45,89,403	
	<b>7,05,87,022</b>		—	
	<b>73,12,26,980</b>		67,45,89,403	
Less: Appropriations				
– Transfer to General Reserve	<b>15,46,64,986</b>		15,62,84,698	
– Proposed Dividend	<b>1,59,34,160</b>		1,59,34,160	
– Tax on Dividend	<b>27,08,011</b>	<b>55,79,19,823</b>	27,08,010	49,96,62,535
g) Foreign Exchange Translation Reserve As per last Financial Statement	<b>(95,75,160)</b>		42,85,039	
Add: For the year	<b>48,84,697</b>	<b>(46,90,463)</b>	(1,38,60,198)	(95,75,160)
<b>Share of Joint Ventures</b>		<b>6,82,91,986</b>		2,86,78,986
		<b>128,26,89,088</b>		102,54,89,091

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)

	31st March, 2014		31st March, 2013	
	Rs.	Rs.	Rs.	Rs.
<b>4 LONG TERM BORROWINGS</b>				
<b>Secured :</b>				
Term Loans:				
a) From Banks	<b>87,55,14,216</b>		76,04,49,744	
Less: Repayable within one year	<b>29,86,43,221</b>	<b>57,68,70,994</b>	<u>9,13,43,096</u>	66,91,06,648
b) From Others	<b>12,32,56,448</b>		31,87,04,175	
Less: Repayable within one year	<b>5,81,50,697</b>	<b>6,51,05,750</b>	<u>20,26,73,479</u>	11,60,30,696
<b>Unsecured :</b>				
- From Corporate Bodies		<b>15,15,00,000</b>		20,00,00,000
<b>Share of Joint Ventures</b>		—		8,83,930
		<b>79,34,76,745</b>		<u>98,60,21,274</u>
<b>5 DEFERRED TAX LIABILITIES (Net)</b>				
a) Deferred Tax Liabilities :				
- Depreciation on Fixed Assets		<b>3,74,83,992</b>		4,21,68,338
b) Deferred Tax Assets :				
- Employees Benefits	<b>(32,04,671)</b>		24,37,001	
- Others	<b>(25,08,845)</b>	<b>(57,13,516)</b>	<u>2,49,22,778</u>	2,73,59,779
<b>Share of Joint Ventures</b>		<b>(25,59,878)</b>		(19,29,586)
		<b>2,92,10,598</b>		<u>1,28,78,973</u>
<b>6 LONG TERM PROVISIONS</b>				
- Leave Encashment		<b>89,93,933</b>		70,46,757
- Gratuity		<b>2,31,189</b>		3,04,211
		<b>92,25,122</b>		<u>73,50,968</u>

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## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)

	31st March, 2014		31st March, 2013	
	Rs.	Rs.	Rs.	Rs.
<b>7 SHORT TERM BORROWINGS</b>				
<b>LOANS REPAYABLE ON DEMAND</b>				
(a) Secured				
Cash Credit from Banks		<b>73,54,13,057</b>		48,62,07,758
(b) Unsecured				
Short Term Loans from :				
- Banks		—	9,26,60,495	
- Others	<b>6,12,83,158</b>	<b>6,12,83,158</b>	4,96,45,994	14,23,06,489
		<b>79,66,96,215</b>		62,85,14,247
<b>8 TRADE PAYABLES</b>				
a) Acceptances		<b>12,20,67,064</b>		9,01,07,133
b) Sundry Creditors		<b>90,58,89,697</b>		79,13,72,806
<b>Share of Joint Ventures</b>		<b>55,95,254</b>		1,20,40,918
		<b>103,35,52,014</b>		89,35,20,857
<b>9 OTHER CURRENT LIABILITIES</b>				
a) Current maturities of Long Term Borrowings		<b>35,67,93,918</b>		29,40,16,575
b) Advance from Customers		<b>17,97,10,149</b>		42,19,24,623
c) Interest accrued but not due on loans		<b>43,61,527</b>		60,00,067
d) Unclaimed Dividends		<b>9,47,149</b>		7,44,369
e) Other Payables				
- Statutory Liabilities	<b>7,71,28,894</b>		5,77,02,013	
- Deposits	<b>15,10,189</b>		10,84,721	
- Others	<b>10,72,78,360</b>	<b>18,59,17,442</b>	7,76,18,833	13,64,05,567
<b>Share of Joint Ventures</b>		<b>5,63,14,385</b>		2,13,46,626
		<b>78,40,44,572</b>		88,04,37,827
<b>10 SHORT TERM PROVISIONS</b>				
a) For Income Tax (Net of Advance Tax paid)		<b>14,49,255</b>		—
b) For Proposed Dividend		<b>1,59,34,160</b>		1,59,34,160
c) For Tax on Proposed Dividend		<b>16,428</b>		27,08,010
d) For Leave Encashment		<b>63,59,153</b>		62,76,972
e) For Warranties		<b>1,08,11,000</b>		91,25,000
f) For Others		<b>13,17,605</b>		12,00,131
<b>Share of Joint Ventures</b>		<b>1,32,76,811</b>		93,31,653
		<b>4,91,64,411</b>		4,45,75,926



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)

11 FIXED ASSETS

	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	Cost/Value on	Additions	Disposals	Up to	For	Deductions/	Foreign	Up to	As at
	As at	on	during the	31st	the	Adjustments	Exchange	31st	31st
31st March	Consolidation	year	March	year	during the	Translation	March	March	March
2013	2014	2014	2013	2014	year	reserve	2014	2014	2013
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>TANGIBLE ASSETS</b>									
Land - Freehold	43,66,19,392	—	6,02,34,138	49,62,13,650	—	34,62,491	—	45,97,32,665	43,44,32,665
Leasehold	61,23,429	—	—	61,23,429	—	1,05,993	—	38,43,805	3,949,845
Buildings	13,87,21,537	—	2,07,382	13,89,28,739	—	43,47,594	—	8,08,37,901	8,49,78,113
Plant and Machinery	75,20,89,508	—	8,47,44,666	83,44,24,356	—	4,23,12,066	6,26,403	36,67,27,263	30,22,95,144
Factory Equipment	30,96,312	—	—	30,96,312	—	50,589	—	51,821	1,08,410
Patents and Moulds	12,73,78,866	—	—	12,73,78,866	—	56,56,777	—	5,26,43,590	5,99,55,882
Electrical Installation	1,99,40,815	—	90,545	2,00,31,370	—	8,40,622	—	1,27,39,746	1,34,89,823
Furniture and Fittings	7,39,36,256	—	13,15,591	7,51,54,167	—	44,72,783	97,680	2,60,52,909	2,71,66,081
Office Equipment	83,52,882	—	8,50,684	91,81,594	—	5,44,489	19,069	17,77,327	19,42,507
Computers	—	—	—	—	—	—	—	—	—
- Owned	32,41,512	—	12,06,385	44,47,988	—	2,71,756	—	15,85,627	6,50,457
- Leased	26,12,264	—	—	26,12,264	—	17,538	—	—	17,538
Motor Vehicles	3,57,75,890	—	1,43,55,680	4,87,57,187	—	51,43,720	10,99,135	2,53,27,645	1,64,76,826
<b>Total Tangible Assets</b>	<b>160,18,87,950</b>	<b>—</b>	<b>16,30,05,094</b>	<b>176,63,49,889</b>	<b>—</b>	<b>6,72,26,318</b>	<b>18,42,287</b>	<b>112,73,57,649</b>	<b>94,40,97,240</b>
<b>INTANGIBLE ASSETS</b>									
Goodwill	36,64,20,269	—	—	36,64,20,269	—	—	—	40,32,50,904	42,21,70,334
Software	—	—	—	—	—	—	—	—	—
- Owned	23,13,367	—	1,10,936	24,24,303	—	3,32,551	—	3,12,642	5,34,096
- Leased	9,87,200	—	—	9,87,200	—	1,40,031	—	77,006	2,17,037
Formation Expenses	87,379	—	—	87,379	—	—	—	91,985	92,986
<b>Total Intangible Assets</b>	<b>36,98,08,115</b>	<b>—</b>	<b>1,10,936</b>	<b>35,09,99,721</b>	<b>—</b>	<b>4,72,583</b>	<b>—</b>	<b>40,37,32,537</b>	<b>42,80,14,453</b>
<b>Grand Total</b>	<b>197,76,96,165</b>	<b>—</b>	<b>16,31,16,028</b>	<b>211,73,49,610</b>	<b>—</b>	<b>6,76,99,000</b>	<b>18,42,287</b>	<b>153,10,90,186</b>	<b>136,71,11,693</b>
<b>Previous Year</b>									
- Tangible Assets	1,25,83,20,848	24,66,10,236	11,18,73,728	160,78,87,950	99,878,796	6,71,37,745	11,72,206	94,40,97,240	74,67,83,580
- Intangible Assets	(5,30,60,555)	44,36,02,845	—	36,98,08,215	—	4,59,440	—	42,30,14,453	5,99,516
<b>Total</b>	<b>120,52,60,293</b>	<b>69,02,13,081</b>	<b>11,18,73,728</b>	<b>197,76,96,165</b>	<b>99,878,796</b>	<b>6,75,97,185</b>	<b>11,72,206</b>	<b>136,71,11,693</b>	<b>74,73,83,096</b>

# WPIL

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)

31st March, 2014		31st March, 2013	
Rs.	Rs.	Rs.	Rs.

### 12 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>	—	<u>23,000</u>	—
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>		<u>16,000</u>

### 13 LONG TERM LOANS AND ADVANCES

#### - UNSECURED

(Considered good)

Security Deposits :

- Earnest Money Deposit	<b>1,57,00,202</b>		1,10,57,727	
- Others	<b>7,03,698</b>	<b>1,64,03,900</b>	<u>7,90,046</u>	1,18,47,773

Other Advances **4,13,53,000** 4,15,59,195

**Share of Joint Ventures** — 5,55,154

**5,77,56,900** 5,39,62,122

### 14 INVENTORIES (at lower of cost or net realisable value)

a) Raw Materials and Components	<b>29,28,03,137</b>	41,90,32,409
b) Work-in-Progress	<b>33,92,00,800</b>	27,31,24,280
c) Finished Goods	<b>10,69,93,080</b>	3,31,67,359
d) Stores and Spare Parts	<b>97,67,437</b>	89,58,620

**Share of Joint Ventures** **94,46,055** 36,73,111

**75,82,10,509** 73,79,55,779

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)

	31st March, 2014		31st March, 2013	
	Rs.	Rs.	Rs.	Rs.
<b>15 Trade Receivables - Unsecured (Considered good)</b>				
a) Debts outstanding for a period exceeding six months		<b>45,80,11,099</b>		31,50,67,099
b) Other Debts		<b>186,36,15,066</b>		182,59,50,047
<b>Share of Joint Ventures</b>		<b>4,45,99,481</b>		7,28,81,080
		<b>236,62,25,645</b>		221,38,98,226
<b>16 CASH AND CASH EQUIVALENTS</b>				
a) Balance with Banks :				
- On Current Account		<b>12,33,60,752</b>		9,41,21,116
b) Cash - in - hand		<b>15,41,034</b>		29,26,676
c) Other Bank balances				
- On Unclaimed Dividend Account	<b>9,47,149</b>		7,44,369	
- On Bank Deposits with less than 12 months maturity	<b>51,44,384</b>	<b>60,91,533</b>	50,00,000	57,44,369
<b>Share of Joint Ventures</b>		<b>5,24,78,561</b>		2,20,61,160
		<b>18,34,71,881</b>		12,48,53,321
<b>17 SHORT TERM LOANS AND ADVANCES - UNSECURED (Considered good)</b>				
a) Others :				
- Balance with Central Excise Authority		<b>7,79,03,976</b>	6,94,24,062	
- Balance with Sales Tax Authority		<b>9,06,34,323</b>	5,22,84,341	
- Others		<b>5,11,42,445</b>	2,98,54,743	15,15,63,146
b) Advance payment of Income Tax (Net of Provision)		—		6,08,68,164
<b>Share of Joint Ventures</b>		<b>3,53,82,067</b>		6,07,654
		<b>25,50,62,811</b>		21,30,38,964
<b>18 OTHER CURRENT ASSETS</b>				
- Interest Receivables		<b>7,48,561</b>		8,50,353
- Others		<b>4,72,08,307</b>		8,49,19,525
<b>Share of Joint Ventures</b>		—		1,16,88,503
		<b>4,79,56,869</b>		9,74,58,381

# WPIL

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)

Year ended		Year ended	
31st March, 2014		31st March, 2013	
Rs.	Rs.	Rs.	Rs.

### 19 REVENUE FROM OPERATIONS

a) Sale of Products				
- Pumps	<b>133,34,07,749</b>		94,49,45,023	
- Spare Part of Pumps	<b>46,36,11,111</b>		62,16,09,849	
- Castings	<b>97,93,31,925</b>		103,51,89,259	
- Accessories of Pumps	<b>102,22,70,312</b>		111,42,16,900	
- Others	<b>116,94,93,047</b>	<b>496,81,14,144</b>	<b>123,58,31,284</b>	495,17,92,315
b) Sale of Services		<b>6,25,39,710</b>		7,13,29,207
c) Other Operating Revenues				
- Duty Drawback		<b>3,21,12,081</b>		7,33,259
- Others		<b>3,36,988</b>		—
<b>Share of Joint Ventures</b>		<b>14,22,30,208</b>		15,98,02,716
		<b>520,53,33,131</b>		518,36,57,497

### 20 OTHER INCOME

a) Interest Income (Gross)		<b>77,86,613</b>		73,06,917
b) Net Gain/(loss) on Foreign Currency translation and transaction		<b>28,02,493</b>		(1,20,00,397)
c) Claims and Compensations received		<b>29,20,782</b>		—
d) Sundry Income		<b>20,11,389</b>		23,94,08,282
e) Liability no longer required, written back		<b>2,75,620</b>		21,93,196
f) Government Grant amortised		—		3,42,716
g) Profit on sale of fixed assets		<b>71,403</b>		—
<b>Share of Joint Ventures</b>		<b>19,07,967</b>		61,54,762
		<b>1,77,76,266</b>		24,34,05,476

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)

Year ended		Year ended	
31st March, 2014		31st March, 2013	
Rs.	Rs.	Rs.	Rs.

**21 COST OF RAW MATERIALS AND COMPONENTS CONSUMED**

a) Pig Iron/Ferrous Scrap	2,41,86,681	3,38,01,650
b) Cables & Winding Wires	2,25,79,030	1,90,22,085
c) Pipes & Tubes	3,15,76,615	7,89,95,129
d) Steel Shafting	12,35,13,113	9,64,96,205
e) Bronze & other metal ingots	1,69,00,214	1,80,79,091
f) Motors, Engines & Starters	39,40,45,146	29,78,03,627
g) Valves	2,89,78,731	7,86,91,311
h) C.I. Castings	5,64,52,373	8,10,28,944
i) M.S. Sheets	13,34,34,145	12,44,92,838
j) Steel/Alloy Steel Castings	13,27,54,086	19,11,25,134
k) Spare & Others	171,23,10,079	191,47,59,712
<b>Share of Joint Ventures</b>	<b>5,00,70,015</b>	<b>3,23,39,541</b>
	<b>272,68,00,228</b>	<b>296,66,35,267</b>

**22 CHANGE IN INVENTORIES OF FINISHED GOODS & WORK IN PROGRESS**

Opening Stock :		
- Work in Progress	27,31,24,280	15,95,65,679
- Finished Goods	3,31,67,359	1,16,82,556
- On Consolidation	— 30,62,91,639	93,16,813 18,05,65,048
Closing Stock :		
- Work in Progress	33,92,00,800	27,31,24,280
- Finished Goods	10,69,93,080 44,61,93,879	3,31,67,359 30,62,91,639
<b>Share of Joint Ventures</b>	<b>(57,72,945)</b>	<b>8,62,072</b>
	<b>(14,56,75,185)</b>	<b>(12,48,64,519)</b>

## WPIL

### NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)

Year ended		Year ended	
31st March, 2014		31st March, 2013	
Rs.	Rs.	Rs.	Rs.

#### 23 EMPLOYEE BENEFIT EXPENSES

a) Salaries and Wages	<b>69,82,04,223</b>	67,07,87,793
b) Contribution to Provident, Pension and Other Funds	<b>5,38,98,726</b>	5,92,01,130
c) Staff Welfare Expense	<b>2,40,45,472</b>	2,17,07,537
d) Exceptional redundancy expenses	<b>1,96,48,648</b>	—
<b>Share of Joint Ventures</b>	<b>2,23,67,155</b>	2,45,87,299
	<b>81,81,64,224</b>	77,62,83,759

#### 24 FINANCE COST

a) Interest Expense	<b>17,56,07,554</b>	13,98,59,333
b) Other Finance costs	<b>3,13,83,599</b>	2,60,08,060
c) Applicable (Gain)/Loss on Foreign currency translation and transactions	<b>2,23,98,125</b>	2,77,45,836
<b>Share of Joint Ventures</b>	<b>7,35,043</b>	2,23,200
	<b>23,01,24,321</b>	19,38,36,429

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)**

Year ended		Year ended	
31st March, 2014		31st March, 2013	
Rs.	Rs.	Rs.	Rs.

**25 OTHER EXPENSES**

Consumption of Stores and Spare Parts	<b>6,80,61,246</b>		7,04,35,085
Excise Duty	<b>53,11,647</b>		77,71,238
Power and Fuel	<b>13,85,64,588</b>		10,82,90,284
Erection Expenses	<b>10,79,16,154</b>		9,35,56,212
Rent	<b>2,23,10,117</b>		3,59,06,651
Rates & Taxes	<b>3,91,83,470</b>		4,25,03,059
Postage & Telephone	<b>1,10,26,699</b>		1,18,28,513
Repairs to Machinery	<b>4,18,20,998</b>		3,72,29,235
Repairs to Buildings	<b>1,05,03,203</b>		50,85,127
Repairs to Others	<b>97,04,349</b>		92,73,171
Insurance	<b>2,40,79,744</b>		2,07,53,736
Travelling Expenses	<b>4,08,02,834</b>		3,91,45,391
Loss on sale of Fixed Assets	—		14,04,596
Professional & Consultancy Fees	<b>6,60,83,312</b>		6,37,26,375
Carriage Outward	<b>2,57,48,351</b>		1,38,31,773
Advertisement	<b>74,35,333</b>		24,07,949
Claims and Compensations etc.	<b>1,89,91,204</b>		3,87,506
Bad Debts Written Off	<b>1,31,34,665</b>		78,04,757
Dealer Discount	<b>1,95,10,518</b>		1,55,95,034
Commission to other Selling Agents	<b>7,65,65,748</b>		3,75,19,069
Service Charges	<b>44,87,744</b>		9,96,763
Directors Fees	<b>60,000</b>		60,000
Commission to Directors	<b>2,50,000</b>		4,00,000
Auditors' Remuneration			
- As Auditor	<b>5,60,000</b>		560,000
- For Other Services	<b>1,75,001</b>		252,504
- For Reimbursement of Expenses	<b>45,000</b>	<b>7,80,001</b>	49,440
Miscellaneous Expenses	<b>11,75,90,679</b>		10,98,54,879
<b>Share of Joint Ventures</b>	<b>2,52,99,349</b>		4,21,27,626
	<b>89,52,21,953</b>		77,87,55,973

## WPIL

### NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)

#### 26 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
			2014	2013	
<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	—	12 months ended 31st March
	vi) APE Pumps Pty Limited	South Africa	51	—	12 months ended 31st March
	vii) Mather & Platt (SA) Pvt Limited	South Africa	51	—	12 months ended 31st March
	viii) PSV Services Pty Limited(*)	South Africa	—	—	12 months ended 31st March
	ix) PSV Properties 2 Pty Limited(*)	South Africa	—	—	12 months ended 31st March
	x) PSV Zambia Limited	Zambia	51	—	12 months ended 31st March
	xi) Global Pump Services (FZE)	United Arab Emirates	51	—	12 months ended 31st March
<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

(\*) Restructured/merged into APE Pumps Pty Limited with effect from 01.01.2013

The goodwill on consolidation has been accounted for in line with the relevant accounting policy set out in Note No – 1 (p).



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)**

**26 OTHER INFORMATION (contd.)**

	2014	31st March 2013
	Rs.	Rs.
b) Sale of Products is stated Net of returns in the Financial Statement	—	10,60,816
c) Estimated amount of contracts remaining unexecuted on Capital Account and not provided for	<b>4,38,484</b>	1,55,14,956
d) Claims against the Company not acknowledged as debts	<b>17,63,174</b>	17,16,402
e) CONTINGENT LIABILITIES & PROVISIONS		
(i) Contingent Liabilities not provided for in the financial statements in respect of the following:		
	<b>2014</b>	<b>2013</b>
– Sales Tax matter under dispute	<b>1,78,56,565</b>	2,53,19,271
– Income Tax matter under appeal	<b>28,98,918</b>	—
– Excise Duty matters under dispute	<b>1,92,908</b>	1,92,908
– Bank Guarantee outstanding	<b>59,30,97,125</b>	50,60,95,210
– Corporate Guarantee outstanding	<b>112,44,61,800</b>	101,34,86,600
(ii) Loans were obtained by our Singapore Subsidiary for acquisition of the UK and the South African Subsidiaries and for their working capital requirements. Such loans are secured by Corporate Guarantee of Holding Company and the said Subsidiaries, an exclusive charge over the said Subsidiary's entire assets and pledge of their 100% shares.		
(iii) The Subsidiary at Singapore has arranged for Bank Guarantees/Letters of Credit aggregating to Rs. 11,65,85,792 (2013 - NIL) from a Bank in Singapore for its and/or its South African Subsidiaries' business purposes		
(iv) One of our South African Subsidiaries has availed of a medium term loan from a Bank in South Africa for the acquisition of a Landed Property which is secured against the same and the Suretyship of other South African Subsidiaries.		
(v) Another subsidiary has Bank Guarantees outstanding as on 31st March,2014 amounting to Rs. 1,20,39,028/- (2013 - Rs. 83,92,428/-) arranged from its Banker and the same is against 100% cash margin in the form of Fixed Deposits.		
(vi) The UK Subsidiary's Bank had issued a Performance Bond in the normal course of its business to its Customer in respect of performance of a contract and such bond will expire on 30.09.2014		
(vii) A retrenched employee of a Subsidiary has filed a case against it in the Industrial Labour Court claiming 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.		
f) 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, 2014 amounts to Rs. 2,41,63,431/- ( 2013 – Rs. 2,30,97,562/- ). A total sum of Rs. 5,16,03,560/- (including Rs. 2,65,000/- 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.		
g) 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. 94,11,131/- have been incurred against earlier provisions and Rs. 1,08,11,000/- have been provided.		
h) Research and Deveopement Expenses relating to revenue nature aggregating to Rs. 77.38 lacs (2013 - Rs. 74.32 lacs) have been charged to respective heads of accounts in the Statement of Profit and Loss. There was no expenditure during the year of capital nature (2013 - Rs. 3.78 lacs).		

# WPIL

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)

### 26 OTHER INFORMATION (contd.)

	31st March	
	2014	2013
<b>i) Earnings Per Share</b>		
Net Profit for the year (Rs.)	<b>30,21,51,468</b>	40,95,74,794
Face Value per Share (Rs.)	<b>10</b>	10
Weighted Average Number of Shares	<b>79,67,080</b>	79,67,080
Basic and Diluted Earnings Per Share (Rs.)	<b>37.92</b>	51.41

	31st March	
	2014	2013
<b>j) Lease Commitments</b>		
<b>Mathers Foundry Limited</b>	<b>Rs.</b>	<b>Rs.</b>
i) Lease payments recognized in the Statement of Profit and Loss for the year	<b>73,35,420</b>	51,28,363
ii) Minimum lease payments under the agreements are as follows:-		
a) Not later than one year	<b>18,39,651</b>	70,29,544
b) Later than one year but not later than 5 years	<b>41,88,754</b>	26,62,591
<b>South African Subsidiaries</b>		
i) Minimum lease payments under the agreements are as follows:-		
a) Not later than one year	<b>32,85,550</b>	2,00,743
b) Later than one year but not later than 5 years	<b>33,13,253</b>	65,45,787

### k) 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 R. Merry  | : Wholetime Director of Sterling Pump Pty Ltd  |
|   | - Mr. Peter Robinson  | : Executive Director of APE Pumps Pty Ltd  |
|   | - Mr. S.R. Shah       | : Executive Director of Mody Industries (F.C) Pvt Ltd (ceased to a Director with effect from 30.06.2013) |
| ii) Companies over which key management personnel or relatives are able to exercise control/significant influence |                       | - Bengal Steel Industries Limited (Bengal Steel)<br>- Hindusthan Udyog Limited (HUL)                     |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (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		2014	2013
	2014	2013	2014	2013		
Sale of Products	—	—	49,68,815	2,63,36,892	—	—
Purchase of Goods	—	—	20,59,13,449	26,29,79,957	—	—
Dividend Paid	—	—	77,23,318	77,23,318	3,92,884	3,92,884
Rent Paid	48,00,000	48,00,000	42,00,000	30,80,000	—	—
Interest Paid	—	—	17,18,836	21,41,096	—	—
Amenities Paid	—	—	12,20,800	14,75,514	—	—
Electricity Charges Paid	3,38,281	22,73,050	—	—	—	—
Sale of Fixed Assets	—	—	—	56,68,847	—	—
Purchase of Fixed Assets	—	—	1,15,88,327	—	—	—
Remuneration, Commission & Sitting Fees						
- Mr. P. Agarwal	—	—	—	—	46,88,541	43,58,769
- Mr. K. K. Ganeriwala	—	—	—	—	34,78,906	29,70,122
- Mr. V. N. Agarwal	—	—	—	—	1,08,000	1,08,000
As at 31st March Trade Receivable	—	—	1,07,66,777	88,14,781	—	—
Trade Payable	—	—	13,47,45,001	10,90,71,385	—	—
Other Payable	32,75,520	1,93,019	1,51,76,215	75,265	—	—
Personal Guarantee issued (by Mr. P. Agarwal)	—	—	—	—	30,00,00,000	30,00,00,000

l) The UK Subsidiary operates a defined contribution pension scheme in respect of the employees of the Company. The scheme and its assets are held by independent managers. The pension contributions cost to the Company in the year amounted to Rs. 67,76,907 (2013 - Rs. 67,15,640). The pension contributions outstanding as at 31st March 2014 amounted to Rs. 7,71,560 (2013 - Rs. 7,33,690)

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

(Rupees in Lacs)

	Year ended 31st March, 2014		Year ended 31st March, 2013	
	Gratuity	Leave Encash- ment	Gratuity	Leave Encash- ment
<b>A) Components of Employer Expenses :-</b>				
1. Current Service Cost	19.28	2.19	18.08	2.95
2. Interest Cost	20.79	7.91	17.56	5.74
3. Expected Return on Plan Assets	(7.36)	—	(6.35)	—
4. Actuarial (Gain)/Loss	(25.50)	8.36	10.88	18.43
5. Expenses recognized in the Statement of Profit and Loss	7.21	18.46	40.17	27.12
<b>B) Net (Assets)/Liability recognised in the Balance Sheet as at 31st March :-</b>				
1. Present value of obligation as at 31st March	241.63	94.28	230.98	87.87
2. Fair value of Plan Assets as at 31st March	(76.99)	—	(84.04)	—
3. (Assets)/Liability recognized in the Balance Sheet	164.64	94.28	146.94	87.87

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)**

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

	Year ended 31st March, 2014		Year ended 31st March, 2013	
	Gratuity	Leave Encash- ment	Gratuity	Leave Encash- ment
<b>C) Change in the Defined Benefit Obligation (DBO) during the year :-</b>				
1. Present value of obligation at the beginning of the year	230.98	87.87	219.48	71.70
2. Current Service Cost	19.28	2.19	18.08	2.95
3. Interest Cost	20.79	7.91	17.56	5.74
4. Actuarial (Gain)/Loss	(25.53)	8.36	10.65	18.43
5. Benefits paid	(3.89)	(12.05)	(34.79)	(10.95)
6. Present value of obligation at the end of the year	241.63	94.28	230.98	87.87
<b>D) Change in the Fair Value of Plan Assets :-</b>				
1. Plan Assets at the beginning of the year	84.04	—	73.77	—
2. Actual return on Plan Assets	7.36	—	6.35	—
3. Actuarial gain/(loss) on plan assets	(0.53)	—	0.23	—
4. Actual Company's contribution	5.77	12.04	39.49	10.95
5. Benefits paid	(19.65)	(12.04)	(35.80)	(10.95)
6. Fair value of Plan Assets at the end of the year	76.99	—	84.04	—
<b>E) Actuarial assumptions :-</b>				
1. Discount rate (p.a.)	9(8)%	9.00%	8(8.5)%	8.00%
2. Expected rate of return (p.a.)	8.75%	N.A.	9.15%	N.A.
3. Salary escalation (p.a.)	5.00%	5.00%	5.00%	5.00%

**F) Experience adjustment on account of actuarial assumption of Gratuity :**

1. Defined Benefit Obligation as at 31st March
2. Plan Asset as at 31st March
3. Surplus/(Deficit)
4. Experience adjustment on Plan Assets
5. Experience adjustment on Plan Liabilities

2013-14	2012-13	2011-12
241.63	230.98	219.48
76.99	84.04	12.50
(164.64)	(146.94)	(206.98)
(0.52)	0.23	1.16
(10.40)	12.61	3.45

(\*) Figures in brackets indicate rates applicable in the Company's Subsidiary

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)**

**n) 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.

	2014 Rs.	3 1st March 2013 Rs.
<b>Segment Revenue</b>		
– India	263,02,97,681	290,20,46,818
– Outside India	<u>249,79,94,949</u>	<u>243,70,01,249</u>
	<b>512,82,92,630</b>	<b>533,90,48,067</b>
<b>Segment Results (Profit before Tax)</b>		
– India	34,68,14,787	34,89,93,123
– Outside India	<u>18,93,63,275</u>	<u>33,20,31,118</u>
	<b>53,61,78,063</b>	<b>68,10,24,241</b>
Less: Other unallocated expenditure net of unallocated income	—	—
<b>Profit before Taxation and Minority Interest</b>	<b>53,61,78,063</b>	<b>68,10,24,241</b>
Less: Taxation Charge		
Current Tax	13,20,51,944	12,75,06,541
Deferred Tax	<u>1,73,21,759</u>	<u>74,37,885</u>
Less: Minority Interests	<u>8,46,52,893</u>	<u>13,65,05,022</u>
<b>Profit after Taxation and Minority Interest</b>	<b>30,21,51,468</b>	<b>40,95,74,793</b>
<b>Segment Assets</b>		
– India	348,44,45,604	313,34,15,890
– Outside India	<u>171,96,80,500</u>	<u>169,19,12,194</u>
	<b>520,41,26,104</b>	<b>482,53,28,084</b>
<b>Segment Liabilities</b>		
– India	228,19,59,516	217,83,20,731
– Outside India	<u>121,34,10,162</u>	<u>127,49,79,341</u>
	<b>349,53,69,678</b>	<b>345,33,00,072</b>

**The Group does not have any Secondary Segment**

# WPIL

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)

o) Statement containing financial information of Subsidiary Companies

(In terms of General Circular No. 2/2011 dated 8th April 20011 issued by the Ministry of Corporate Affairs)

(Amount in Rs.)

Name of the subsidiary company	WPIL International Pte Limited (1)	Sterling Pumps Pty Limited (2)	Mathers Foundry Ltd (3)	WPIL SA Holdings Pty Ltd. @ (4)	GlobalPump Servecies (FZE) (5)	Mody Industries (F.C) Pvt Ltd
Currency	USD	AUD	GBP	ZAR	AED	INR
Paid Up Capital	21,89,59,508	794	4,07,10,000	8,56,86,300	24,46,500	22,62,500
Reserves & Surplus	3,21,67,126	2,72,22,558	24,50,78,127	32,78,97,720	3,35,14,294	14,23,00,955
Total Assets	133,74,05,618	17,23,34,964	105,68,19,095	97,98,31,311	3,60,83,119	16,89,93,602
Total Liabilities	133,74,05,618	17,23,34,964	105,68,19,095	97,98,31,311	3,60,83,119	16,89,93,602
Turnover	14,01,80,684	25,92,49,760	97,32,21,030	95,78,32,010	21,23,71,887	21,04,53,614
Profit/(Loss) before Tax	9,81,20,459	(45,06,072)	(5,95,48,232)	14,80,23,627	3,46,19,944	7,10,02,838
Tax Provision	61,17,037	—	—	3,80,15,602	—	2,43,52,976
Profit/(Loss) after Tax	9,20,03,421	(45,06,072)	(5,95,48,232)	11,00,08,025	3,46,19,944	4,66,49,862

@ Including the Step down Subsidiaries in South Africa and Zambia

- 1 Converted into Indian Rupees using average rate (1 USD = Rs. 60.38) and Closing Rate (1 USD = Rs. 60.055) as on 31.03.2014
- 2 Converted into Indian Rupees using average rate (1 AUD = Rs. 56.22) and Closing Rate (1 AUD = Rs. 55.715) as on 31.03.2014
- 3 Converted into Indian Rupees using average rate (1 GBP = Rs. 96.08) and Closing Rate (1 GBP = Rs. 99.775) as on 31.03.2014
- 4 Converted into Indian Rupees using average rate (1 ZAR = Rs. 5.98) and Closing Rate (1 ZAR = Rs. 5.67) as on 31.03.2014
- 5 Converted into Indian Rupees using average rate (1 AED = Rs. 16.44) and Closing Rate (1 AED = Rs. 16.31) as on 31.03.2014

p) Previous year figures have been rearranged/regrouped by giving effect of audited financial statements since received for earlier years wherever found necessary.

q) Signature to Notes 1 to 26.

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 : 21st May, 2014

**CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31ST MARCH, 2014**

	Year ended		Year ended	
	31st March, 2014		31st March, 2013	
	Rs.	Rs.	Rs.	Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>				
<b>Net Profit before Tax and Extraordinary Items</b>		<b>53,61,78,063</b>		<b>68,10,24,241</b>
Adjustment for:				
(Profit)/Loss on sale of Fixed Assets	(71,403)		20,75,808	
Impact of Foreign Exchange Translation (Net)	(8,52,97,066)		(90,18,818)	
Depreciation	6,74,79,026		6,64,78,479	
Interest Income	(77,86,613)		(81,96,039)	
Liabilities no longer required written back	(2,75,620)		—	
Bad Debts/Advances/Claims written off	1,31,34,665		9,24,057	
Interest Charge	17,56,07,554	<b>16,27,90,543</b>	14,00,79,297	19,23,42,784
<b>Operating Profit before Working Capital changes</b>		<b>69,89,68,606</b>		<b>87,33,67,025</b>
Adjustment for:				
Trade and Other Receivables	(22,12,75,108)		(44,88,01,272)	
Inventories	(2,02,54,730)		(18,28,71,538)	
Trade Payables	(1,13,61,636)	<b>(25,28,91,474)</b>	34,48,17,233	(28,68,55,577)
<b>Cash generated from operations</b>		<b>44,60,77,132</b>		<b>58,65,11,448</b>
Tax Paid		<b>(7,07,24,658)</b>		<b>(18,13,94,078)</b>
<b>Net Cash from Operating Activities</b>		<b>37,53,52,474</b>		<b>40,51,17,370</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>				
Purchase of Fixed Assets (Net of Capital WIP)	(15,04,17,733)		(46,61,30,290)	
Sale of Fixed Assets	2,16,91,701		56,68,847	
Purchase of Investment	—		(24,50,06,125)	
Sale of Investments	—		1,76,42,760	
Loan Given	—		(31,73,82,270)	
Interest received	64,14,360		50,56,574	
<b>Net Cash from/(used) in Investing Activities</b>		<b>(12,23,11,672)</b>		<b>(100,01,50,504)</b>

# WPIL

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	Year ended 31st March, 2014		Year ended 31st March, 2013	
	Rs.	Rs.	Rs.	Rs.
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>				
Proceeds from Long Term Borrowings	12,06,66,482		34,34,84,080	
Repayments of Long Term Borrowings	(25,04,33,667)		(17,32,907)	
Proceeds from Short Term Borrowings	16,81,81,968		88,39,78,669	
Repayments of Short Term Borrowings	—		(37,46,09,035)	
Minority Contribution	(51,24,476)		—	
Joint Venture Share	(3,09,74,022)		—	
Dividend paid	(1,57,31,380)		(7,79,48,942)	
Dividend Tax Paid	(53,99,593)		(1,26,78,356)	
Interest paid	(17,56,07,554)		(13,91,62,463)	
<b>Net Cash from/(used) in Financing Activities</b>	<b>(19,44,22,242)</b>		<b>62,13,31,046</b>	
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>5,86,18,560</b>		<b>2,62,97,912</b>	
<b>Cash and Cash Equivalents (On Opening Date)</b>	<b>12,48,53,321</b>		<b>7,96,97,695</b>	
<b>Cash and Cash equivalent added on Consolidation</b>	<b>—</b>		<b>1,88,57,714</b>	
<b>Cash and Cash Equivalents (On Closing Date)</b>	<b>18,34,71,881</b>		<b>12,48,53,321</b>	

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)

	31st March, 2014	31st March, 2013
	Rs.	Rs.
2. Cash & cash equivalents include :		
- Cash in hand	15,41,034	29,26,676
- With Scheduled Banks:		
On Current Accounts	12,33,60,752	9,41,21,116
On Unclaimed Dividend A/C	9,47,149	7,44,369
On Fixed Deposit A/C	51,44,384	50,00,000
Share of Joint Ventures	5,24,78,561	2,20,61,160
	<b>18,34,71,881</b>	<b>12,48,53,321</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.

	For V. Singhi & Associates Chartered Accountants Registration no. 311017E	PRAKASH AGARWAL K.K. GANERIWALA U. CHAKRAVARTY	Managing Director Executive Director General Manager (Finance) & Company Secretary
Place : Kolkata Date : 21st May, 2014	(V. K. SINGHI) Partner Membership no. 50051		



## PROXY FORM

**[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]**

CIN : L36900WB1952PLC020274  
Name of the Company : WPIL LIMITED  
Registered Office : Trinity Plaza, (3rd Floor), 84/1A, Topsia Road (South), Kolkata-700046

Name of the Member(s)	
Registered Address	
Email ID	
Folio/Client ID	
DP ID	

I/We being the member(s) of ..... Shares of the above named company, hereby appoint

1. Name :  
Address :  
Email ID : Signature : ..... or failing which
2. Name :  
Address :  
Email ID : Signature : ..... or failing which
3. Name :  
Address :  
Email ID : Signature : .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Sixtieth Annual General Meeting of the Company to be held on Thursday, the 31st July, 2014 at 10:00 A.M. at "Kala Kunj" (Basement) Hall, Kalamandir, 48, Shakespeare Sarani, Kolkata-700017 and at any adjournment thereof in respect of such resolutions as specified in the notice convening Sixtieth Annual General Meeting of the Company.

Signed this.....day of.....2014

Signature of the Shareholder : .....

Signature of Proxy holder(s) : .....

Affix Revenue Stamp
---------------------------

**Note :** This form of proxy in order to be effective should be duly completed and deposited at the Registered office of Company not less than 48 hours before the commencement of the Meeting.

### WPIL Limited

Registered Office : Trinity Plaza, (3rd Floor), 84/1A, Topsia Road (South), Kolkata-700046  
CIN : L36900WB1952PLC020274

### ATTENDANCE SLIP

Only Shareholders or the Proxies will be allowed to attend the meeting

D.P. ID		LF No.	
Client ID		No. of Shares held	

I/We hereby record my/our presence at the Sixtieth Annual General Meeting of the Company held at Kala Kunj (Basement) Hall, Kalamandir, 48, Shakespeare Sarani, Kolkata- 700017 on Thursday, the 31st July, 2014 at 10:00 A.M.

Name of the Shareholder (In Capital Letters) .....

.....  
Signature

Note: Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting venue.



## BOOK POST

If undelivered, please return to:  
MCS Share Transfer Agent Limited  
Unit: WPIL Limited  
12/1/5, Manoharpukur Road, Ground Floor,  
Kolkata-700026