

WPIL Limited

DIRECTORS

P. AGARWAL
— *Managing Director*

K. K. GANERIWALA
— *Executive Director*

V. N. AGARWAL
SAMARENDRA NATH ROY
SHYAMAL MITRA
BINAYA KAPOOR

AUDITORS

V. SINGHI & ASSOCIATES
Chartered Accountants

GENERAL MANAGER (Finance) AND COMPANY SECRETARY

U. CHAKRAVARTY

BANKERS

STATE BANK OF BIKANER AND JAIPUR
STATE BANK OF INDIA
IDBI BANK LIMITED
YES BANK LIMITED
CENTRAL BANK OF INDIA
ALLAHABAD BANK
CITI BANK NA

REGISTRAR

MCS LIMITED
77/2A, HAZRA ROAD, KOLKATA-700 029
PHONE NO. : (033) 2454 1892/93
FAX NO. : (033) 2454 1961
E-MAIL : mcskol@rediffmail.com

REGISTERED OFFICE

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

EASTERN REGION OFFICE

6, OLD POST OFFICE STREET
KOLKATA-700 001

WESTERN REGION OFFICE

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

SOUTHERN REGION OFFICE

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

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

NORTHERN REGION OFFICE

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

MANUFACTURING FACILITIES

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

WPIL

WPIL Limited

NOTICE OF THE ANNUAL GENERAL MEETING TO THE MEMBERS

NOTICE is hereby given that the **FIFTY EIGHTH ANNUAL GENERAL MEETING** of the members of the Company will be held at "Kala Kunj" (Basement) Hall, Kalamandir, 48, Shakespeare Sarani, Kolkata-700017 on Monday, the 6th day of August, 2012 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, 2012, the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To declare Dividend.
3. To appoint a Director in place of Mr. Samarendra Nath Roy who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Shyamal Mitra who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
5. To re-appoint M/s.V.Singhi & Associates, Chartered Accountants, as the Auditors of the Company, who retire at the conclusion of this Annual General Meeting, to hold office till the conclusion of the next Annual General Meeting with authority to the Board of Directors of the Company to fix their remuneration.

SPECIAL BUSINESS :

6. To consider and, if thought fit, to pass with or without modifications(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."

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

Date : 23rd June, 2012
Place : Kolkata

By Order of the Board

U. CHAKRAVARTY
General Manager (Finance)
and Company Secretary

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company. The proxy in order to be effective must reach the Registered Office of the Company at least 48 hours before the time fixed for the meeting.
2. The Dividend, if approved at the forthcoming Annual General Meeting, will be paid to those shareholders, whose name are registered at the close of business on 6th August, 2012 or to their mandates subject however to the provisions of Section 206A of the Companies Act, 1956.
3. The Register of Members and Share Transfer Books will remain closed from Saturday, the 28th July 2012 to Monday, the 6th August, 2012 (both days inclusive).for payment of dividend to Equity Shares. In respect of shares held in electronic form, dividend will be paid on the basis of beneficial ownership as per details furnished by depositories for this purpose.
4. Mr. U. Chakravarty, General Manager (Finance) and Company Secretary is the Compliance officer in terms of Clause 12B of the Listing Agreements with the Stock Exchanges. Members may communicate with the Compliance Officer in relation to any query pertaining to their shareholdings
5. As per the provisions of the Companies Act, 1956, the facility for making nominations is available to Members in respect of their shares in the Company. Nomination forms can be obtained from MCS Limited, Registrar and Share Transfer Agent of the Company, in case they hold shares in physical form. If they hold the shares in dematerialized form, they may contact their respective depositories for such nomination.
6. Members who hold the shares in physical form are requested to inform the R&T Agents, their Income Tax permanent Account Number (PAN) /General Index Register Number (GIR) if any, allotted to them by the Income Tax authorities.
7. Members holding shares in physical form are requested to notify change in addresses, if any, quoting their folio numbers to the R&T Agent of the Company.
8. Members holding shares in multiple folios are requested to submit their application to R&T Agent for consolidation of folios into single folio.
9. Members holding shares in physical form are requested to note that in order to avoid any loss/interception in postal transit and also to get prompt credit of dividend through Electronic Clearing Services (ECS) they should submit their ECS details. Alternatively, members may provide details of their bank account quoting their folio numbers to the R& T Agent to enable them to print such details on the dividend warrants.
10. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be printed on the dividend warrants as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such members for change/deletion in such bank details. Further instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to the dividend paid on shares held in electronic form. Members therefore give instructions regarding bank accounts in which they wish to receive dividend, to their Depository participants.

Request to the Members:

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

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

RESOLUTION AT ITEM NO. 6

WPIL International Pte. Limited, the Company's Subsidiary in Singapore had made financial arrangements for availing a Facility of USD 8.62 Million (comprising of a Term Loan of USD 5.62 Million and a stand-by Letter of Credit of USD 1.00 Million and Working Capital of USD 2.00 Million) from a Syndicate of Banks and Financial Institutions ("Lenders") arranged by AXIS Bank Limited, Singapore Branch (as Arranger and Agent of Lenders) for its business purposes.

As required by Finance Parties (comprising Lenders, Arranger, Agent or any other Party who may be regarded as a Finance Party under the documents entered into between WPIL international Pte. Limited and/or the Lender in relation to the aforesaid Facility), WPIL International Pte. Limited had approached to WPIL Limited, its Holding Company to issue a Corporate Guarantee in favour of the Finance Parties for securing its obligations in relation to the aforesaid Facility 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.

Accordingly the Board of Directors of the Company at their Meeting held on Monday, the 12th March, 2012 issued the aforesaid Corporate Guarantee in favour of Finance Parties.

The consent of the Members is sought as the amount of Facility for which Corporate Guarantee was issued by the Board exceeds the limits specified under section 372A(1) of the Companies Act, 1956.

The Board commends the Special Resolution set out in Item 6 of Notice convening the Meeting for the approval of the Shareholders.

None of the Directors of the Company is concerned or interested in the said Resolutions.

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

Date : 23rd June, 2012
Place : Kolkata

By Order of the Board

U. CHAKRAVARTY
General Manager (Finance)
and Company Secretary

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

Name of the Director	Mr. Samarendra Nath Roy	Mr. Shyamal Mitra
Date of Birth	21.06.1943	03. 12. 1937
Date of First Appointment	23. 05. 2005	21. 07. 2006
Qualifications	B. Tech. (Hons) in Electrical Engineering from IIT Kharagpur.	M.Com, FCA
No. of Shares Held	NIL	NIL
Nature of Expertise	Having 44 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 Finance, Accounts Taxation Legal and other aspects of Corporate Management in diversified fields
Other Directorships	<ol style="list-style-type: none"> 1) North Dinajpur Power Ltd. 2) Rajgarh Bio Power Ltd. 3) Super Wind Project (P) Ltd. 4) Techno Ganga Nagar Green Power Generating Co. Ltd. 5) Techno Birbhum Green Power Generating Co. Ltd. 6) Techno Electric & Engineering Co.Ltd. 7) Simran Wind Project (P) Ltd. 	<ol style="list-style-type: none"> 1) Rukh Exports & Imports (P) Ltd.

WPIL

DIRECTORS' REPORT TO THE MEMBERS

The Directors of the Company have the pleasure in presenting their 58th Annual Report on the business and operations of the Company for the financial year ended 31st March 2012.

FINANCIAL HIGHLIGHTS

	2011-12	2010-11
	(Rs. in Lacs)	(Rs. in Lacs)
Total Income	30302.63	21983.37
Profit before interest, Depreciation and Taxation	3949.95	2907.59
Interest	788.66	428.80
Depreciation	197.49	170.59
Profit before Taxation	2963.80	2308.20
Provision for Taxation	979.06	734.88
Profit after Taxation	1984.74	1573.32
Balance brought from previous year (including excess provision of tax on Dividend written back for F. Y.2010-11)	2097.31	1709.18
Profit available for appropriation	4082.05	3282.50
Transfer to General Reserve	1500.00	1000.00
Proposed Dividend with Tax on Dividend	185.19	185.81
Balance Carried forward to Balance Sheet	2396.86	2096.69

OPERATIONS

The Company crossed the milestone of Rs.300 crores in revenue and achieved higher profitability in the financial year 2011-12 with the overall improvement of its operational activities. The growth of operational activities of the Company continues to be consistent and balanced during the year under review amidst slow economic activities and downtrend of domestic business environment. The Company remains strongly positioned in its traditional areas of business in manufacturing of pumps and providing pumping systems to its target markets of Power, Industry, Municipal and Irrigation and simultaneously build new business domestically and internationally. The Company has achieved major landmarks in designing and supplying large critical pumps using different technologies such as duplex pumps for sea water applications, concrete volute pumps and water turbines. With the strong order book, increased availability of infrastructural resources and access to new global markets, the Company stands committed to continue its growth and strengthen its position in the market by providing greater value for its shareholders. The Company's global acquisitions, partnerships and collaborations have helped the Company to develop a comprehensive understanding of international geography, evolving technologies and move up the value chain and become a premium supplier of choice.

The standalone revenue of the Company registered steady growth and was Rs.3006.60 Millions for the year ended 31st March, 2012 as against Rs. 2194.86 Millions in the previous year signifying a growth of 36.98%. The standalone net profit after tax for the year ended 31st March,2012 was at Rs. 198.47 Millions as against Rs. 157.33 Millions in the previous accounting year reflecting an increase of 26.15%. Earning per share grew by 26.13 % to Rs 24.91 from Rs.19.75 of last year. This growth in profits is a result of execution of orders with higher value addition primarily from project division in Irrigation and Power sectors and due to capacity expansions previously undertaken. The Company

intends to further consolidate its market presence and increase its market share on the back of clear marketing strategies and enhanced manufacturing capacities.

DIVIDEND

After considering the performance for the year, cash flow, erosion of General Reserve for the performance of the past and necessity to augment its working capital to sustain the growth of activities in the coming year, the Directors of the Company are pleased to recommend dividend of two rupees per share for the year ended 31st March, 2012.

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 6th August, 2012 or to their mandates subject however, to the provisions of Section 206A of the Companies Act, 1956.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

A. BUSINESS

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

B. BUSINESS ENVIRONMENT

Year 2011-12 was a tough year dominated by Euro crisis and its effect on economies all over the world including India. Globally there was less risk appetite and the pressure of financial tightness. In India, alongwith the global environment, we faced complete policy paralysis at both the political and bureaucratic levels. This was caused by series of scams and revelations which eroded the decision making process. As our Company deals with the Governments in both the Municipal and Irrigation sectors, a large number of decisions were pending leading to a shortage of orders in the market. Furthermore, the power sector which had been robust till 2010-11 was plagued by coal supply issues on one end and deteriorating financial health of State Electricity Boards on the other end. The cumulative effects of these lead to less availability of orders. However, the Company's strength and product superiority allowed it to achieve a rapid growth in 2011-12 and provide a strong order book for 2012-13. The Company is enhancing its International business to counter this situation and expects exports to double in the present financial year. Furthermore, the Company is focused on de-risking its business by growing its exports to 25% and gaining substantial portion to its consolidated revenue from its international business.

C. OPERATIONAL REVIEW

The operational performance of the Company was commendable in line with its budget with all 3 divisions achieving large growth in revenues. The strong order book and previous investments in infrastructure allowed the Company to achieve these targets. Most of the sales were achieved through the Power and Irrigation sectors wherein large number of pumps were supplied to NTPC, State Electricity Boards and private producers. The Company continues to have a strong order book to support its growth.

Engineered Pump Division

This division achieved strong growth in its revenues based on the supply of large engineered pumps / concrete volute pumps/water turbines to the Power and Irrigation sector. The division has established itself as a vendor of choice

WPIL

for critical applications and should see constantly increasing revenues. The division is supplementing its Kolkata facilities with a new facility at Nagpur which would be commissioned by June, 2013. This facility would greatly enhance its capacity and increase its test capability in line with the largest in the world.

Standard Pump Division

This division achieved nearly 50% growth in its revenues with greatly enhanced throughput. Most of these supplies were for the Power and Industrial sector where again the Division is slowly becoming a dominant player. Large investments previously made have allowed this growth in numbers. The extremely strong order book augurs to a continued robust growth in both numbers and revenues.

Importantly the foundry at the division has been expanded with the addition of new induction furnaces and the expansion when complete will have increased capacity by 50% while reducing pollution emission levels by 80%.

Infrastructure Division

The division performed extremely well with a 50% jump in revenues and good progress on all project sites. The strong team dealt with this growth extremely well and brought most of the projects to completion. Large scale piping works and civil construction was undertaken successfully by the division at its sites. The division has gained hugely in capability and is a strong contender in this segment of the business. Most of the sales were for Power and Irrigation sector.

WPIL International Business

The various International businesses of the Company are a major strength and de-risks the business from domestic vagaries. The Company, through its International subsidiary, WPIL International, has made acquisitions globally. The Company found good opportunity to enhance its technical competence, expand its product range and grow its global footprint by acquiring the prestigious business in United Kingdom and Australia.

Mathers Foundry in United Kingdom is the 200 year old Company with cutting edge technology supplying castings to the pump industry for nuclear and oil & gas. The business of this Company would add greatly to WPIL's competency as a pump supplier besides providing a source of supplier of high end castings with nuclear and Norsok approvals. The business has stabilized and is looking very prospective for the future.

Sterling Pumps, Australia is a strong player in Australian oil & gas industry besides supplying to other sectors. Our holding in this Company brings great benefits and allowing its supplies to off-shore platforms of SHELL, CAIRNS and CHEVRON. Furthermore, WPIL's access to markets in Australia is very encouraging for its export business.

WPIL Thailand : Our Thai joint venture established a strong footing in the Thai industry and irrigation sector and should enhance Company's exports. The joint venture has started off on a strong footing and should grow more in the coming years.

D. FUTURE OUTLOOK

The Company, being one of the leaders in pump industry has tremendous potential for further growth both in domestic and international operations. The Company has outlined the growth plan of all the aforesaid divisions to cater to the growing need for its products and services. All divisions are evidencing good order backlog which should translate into higher sales and increased profitability in the future. With the creation of new market in the international sphere and improvement of existing market share of its product and service, the Company is expected to post higher revenue in the coming year amidst decelerated market trend. However the Company is consciously honing its marketing strategies with focus to enhance global print which will supplement its domestic operations.

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. This increase in commodity prices combined with uncertain availability threaten to affect despatches 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 recommends the steps to be taken with regard to deviations if any.

G. HUMAN RESOURCES AND INDUSTRIAL RELATIONS.

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

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

The Company had 430 employees on the roll at the end of the year under review as against 421 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 General Manager (Finance) and Company Secretary 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 the Company's Article of Association Mr. Samarendra Nath Roy and Mr. Shyamal Mitra retire by rotation and being eligible, offer themselves for re-appointment.

AUDITORS

Messers. V.Singhi & Associates, Chartered Accountants retire as Statutory Auditors at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Audit Committee of Directors recommended the re-appointment of Messers. V.Singhi & Associates, Chartered Accountants as Statutory Auditors to hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of next Annual General Meeting. Messers. V.Singhi & Associates, Chartered Accountants confirmed their eligibility and willingness to continue to act as Statutory Auditors of the Company for the financial year 2012-13, 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 2011-12 have been obtained from all Board members and Senior Management personnel in terms of the requirements of Clause 49 of the Listing Agreement and a declaration relating to compliance to this code during the year under review by all Board members and Senior Management personnel has been given by the Managing Director of the Company which accompanies this report.

DEMATERIALIZATION OF SHARES

The company's shares are under transfer-cum-demat option. Shares of the Company can only be traded in dematerialized form. You have the option to hold the company's shares in demat form through National Securities Depository Limited (NSDL) or Central Depository Services (India) Limited (CDSL). 96.51% of the total equity share capital of the Company was held in dematerialized form with NSDL and CDSL as on 31st March, 2012.

FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company along with those of its subsidiaries and joint Venture Companies prepared as per Accounting Standards AS-21 and AS-27 issued by the Institute of Chartered Accountants of India form a part of the Annual Report. Pursuant to General Circular No. 2/2011 dated 8th February, 2011, the Ministry of Corporate Affairs has provided an exemption from complying with the section 212 of the Companies Act, 1956, provided such Company publishes the audited consolidated financial statements in the Annual Report. Accordingly, Annual Report 2011-12 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 2010-11 under Section 233(B) of the Companies Act, 1956 to conduct Cost Audit relating to Cost records maintained by the Company under section 209(1) (d) of the Companies Act, 1956. The Cost Auditor had filled the Cost Audit Report on 27.09.2011 against due date on 30.09.2011.

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. 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 : 23rd June, 2012

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

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

Following measures were adopted during the year for conservation of energy. The impact of the above measures have the effect of reduction of energy consumption leading to saving of energy cost by Rs. 7,000/- per month.

AT PANIHATI

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

AT GHAZIABAD PLANT

- Energy efficient Induction furnace to replace existing Cupola furnaces were commissioned in Jan'2012 at a foundry modernisation cost of Rs.200 lacs,resulting into net saving of Rs.1.90 per Kg of good castings .On an average saving of more than 1.9 lacs per month on energy cost.

B) RESEARCH & DEVELOPMENT (R&D)

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

AT PANIHATI PLANT

New Pump Models/Components Developed:

- High flow, medium head mixed flow pump of 4400 US NS specific speed developed for Ultra Mega Thermal Power Plants.
- Medium flow, medium head mixed flow pump of 5100 US NS Specific Speed developed for Circulating Water application.
- New tilting pad type journal bearing housing design developed for Concrete Volute type Large Circulating Water Pumps.

New processes developed

In-house software developed to improve the design process for

- Pump hydraulic drawing generation with AutoCAD – VB interface
- 3-D Modeling of pump assembly development for Structural Analysis.
- Implementation of Server-based Engineering Document Management system for reducing document processing time.

AT GHAZIABAD PLANT

- 8 New Pump model added in manufacturing range are 10 LN 32,16 LN28, 20 LN22, 24 WLN26A, 4U 22B, 10MN12, 12MN19, & 24MN28
- 2 Nos. New Horizontal boring M/cs added.
- Additional Sheds of 18000 Sq.feet in foundry division was completed to enhance foundry capacity & install new induction furnaces..

(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. This laboratory will also take up analysis of flow through pump hydraulic passages to enhance pump efficiency.

FUTURE PLAN OF ACTION

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

TRAINING

- In-house training on “Structural Analysis of Vertical Turbine Pumps” organized by internal expert faculty. Six R&D personnel attended the course.
- In-house advanced training on “CFD analysis for flow pattern through turbo-machinery and sump flow pattern” organized by expert faculty. Four R&D engineers attended the course.
- Training by internal & external faculty on enhancement of brand equity, environment protection, team work, health & safety, are being regularly organized.

CONTINUOUS IMPROVEMENT

FOCUS ON PUMP PERFORMANCE:

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

VALUE ENGINEERING:

- Value engineering and performance improvement of Horizontal Pumps and development of investment cast impellers of Horizontal pumps is continual process and a saving of Rs. 1 lac was achieved during the year by new developments.

WPIL

STANDARISATION

- Standarisisation 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 standarisisation of pump components on shaft size basis is complete and has substantially improved on delivery of horizontal pumps. Now standarisisation of vertical pump column assemblies is under progress. This will help reducing delivery time of long-setting vertical turbine pumps.

QUALITY SYSTEM

- EMS for Ghaziabad plant has undergone for Surveillance Audit against ISO:14001 successfully. Recertification audit for ISO 9001-2008 undergone successfully.

(D) FOREIGN EXCHANGE EARNINGS AND OUTGO

	Rs. in Lacs
Total foreign exchange earned during the period	2683.36
Total foreign exchange used	842.91

Place : Kolkata
Date : 23rd June, 2012

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, 2012.

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, 2012 are given below.

Name of the Board Members	Category (1)	Board Meetings attended out of 7 Meetings held during the year	Attendance at the last AGM held on 28th July, 2011	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	6	Present	11	5
Mr. V. N. Agarwal	NED & P	6	Present	12	7 (2)
Mr. K. K. Ganeriwala	ED	7	Present	12	7 (4)
Mr. S. N. Roy	NED & ID	5	Present	7	NIL
Mr. Shyamal Mitra	NED & ID	5	Present	1	NIL
Mr. Binaya Kapoor	NED & ID	4	Present	2	1

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

Details of Board Meetings held during the financial year

During the Financial Year 2011-12, Seven Board Meetings were held on 17th May, 2011, 24th June, 2011, 28th July, 2011, 26th September, 2011, 29th October, 2011, 30th January, 2012 and 12th March, 2012.

3. COMMITTEE OF THE BOARD

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

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

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

I. Audit Committee

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

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

The terms of references of Audit Committee include the followings:

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

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

During the year ended 31st March, 2012, the Audit Committee meetings were held on 17th May, 2011, 28th July, 2011, 29th October, 2011, and 30th January, 2012. The composition of Audit Committee and the attendance of the members are furnished below:

Sl. No.	Name of Member of Audit Committee	No. of meetings attended	Number of meetings held during Members tenure
1.	Mr. Shyamal Mitra	4	4
2.	Mr. S. N. Roy	4	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 2011-12, no Remuneration Committee Meeting was held.

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

A. Details of remuneration paid/payable to the Managing Director and the Executive Director during the year ended 31st March, 2012 are given below :

Name	Designation	Salary (Rs.)	Contribution to funds (Rs.)	Perquisites & Allowances (Rs.)	Commission (Rs.)	Total
Mr. Prakash Agarwal	MD	18,00,000	3,65,940	11,49,282	9,00,000	42,15,222
Mr. K. K. Ganeriwala	ED	12,00,000	2,43,960	8,84,936	6,00,000	29,28,896

There was no stock option during the Financial Year ended 31st March, 2012.

B. Details of remuneration paid/payable to Non-executive Directors during the year ended 31st March, 2012 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/-	12,000/-	-	1,12,000/-
2.	Mr. S. N. Roy	1,00,000/-	10,000/-	8,000/-	1,18,000/-
3.	Mr. Shyamal Mitra	1,00,000/-	10,000/-	16,000/-	1,26,000/-
4.	Mr. Binaya Kapoor	1,00,000/-	8,000/-	8,000/-	1,16,000/-

III. Shareholders'/Investors' Grievances Committee

The Shareholders'/Investors' Grievances Committee comprises of Mr. K.K.Ganeriwala (Chairman), Mr. Prakash Agarwal and Mr. Shyamal Mitra. The Committee meets in every quarter and looks into the various issues relating to Shareholders'/Investors including redressal of their complaints regarding transfer of shares in physical form, non-receipt of Annual Report etc. During the financial year ended 31st March ,2012, 15 Nos. of Investors' complaints/queries were received altogether and no complaint/query was pending for redressal as on 31st March, 2012. Mr. U. Chakravarty, General Manager (Finance) and Company Secretary acts as Secretary to the Committee.

IV. Share Transfer Committee

The Committee consists of Mr.K.K.Ganeriwala (Chairman), Mr.P.Agarwal and Mr. Shyamal Mitra. The Committee usually meets at least once in every month that approves and monitors transfers, transmission, rematerialisation, sub-division and

consolidation of securities in physical form and issue of new and duplicate Share Certificates by your Company. There was no transfer of shares pending for registration as on 31st March, 2012 and all the transfers were registered within 30 days from the date of lodgement.

Mr.U.Chakravarty, General Manager (Finance) and Company Secretary has been designated as the Compliance Officer of the Company. Investors may contact Mr. U. Chakravarty at e-mail ID uchakravarty@wpil.co.in 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
2010-11	“Kala Kunj” Kalamandir (Basement), 48, Shakespeare Sarani, Kolkata-700 017	28.07.2011	10.00 A.M.	Yes	No
2009-10	“Kala Kunj” Kalamandir (Basement), 48, Shakespeare Sarani, Kolkata-700 017	23.07.2010	10.00 A.M.	No	No
2008-09	“Kala Kunj” Kalamandir (Basement), 48, Shakespeare Sarani, Kolkata-700 017	29.07.2009	10.00 A.M.	No	No

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

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

Special Resolutions passed at the Annual General Meeting held on 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 Notes 26(j) of Financial statements, forming part of the Financial statements of your Company for the year ended 31st March, 2012, 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.	Board of Directors		
(A)	Composition of Board	Yes	50% Independent and 50% Non-independent
(B)	Non-Executive Directors' Compensation & Disclosures	Yes	
(C)	Other provisions as to Board and Committee	Yes	
(D)	Code of Conduct	Yes	Declaration as necessary, has been made in the Directors' Report.
II.	Audit Committee		
(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.	Subsidiary Companies	—	Your Company does not have any Subsidiary Company in India.
IV.	Disclosures		
(A)	Basis of Related Party Transactions	Yes	
(B)	Disclosure of Accounting Treatment	Yes	There is no deviation from the Accounting Standard
(C)	Board Disclosure	Yes	
(D)	Proceeds from Public Issues, Rights Issues, Preferential Issues etc.	—	The Company has not made any issue in the recent past
(E)	Remuneration of Directors	Yes	Disclosures as necessary, have been made in this Corporate Governance Report
(F)	Management	Yes	
(G)	Shareholders	Yes	Management Discussion and Analysis forms a part of Directors' Report.

V.	CEO/CFO Certification	Yes	Certification as required, has been provided to the Board for the Financial Year ended on 31st March, 2012.
VI.	Report on Corporate Governance	Yes	[As being presented]
VII.	Compliance	Yes	Certificate on Corporate Governance is annexed herewith.

v) No Equity Share was held by the Non-executive Directors as on 31st March, 2012.

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.	Annual General Meeting to be held	
(A)	Day	Monday
(B)	Date	6th August, 2012
(C)	Time	10.00 A.M.
(D)	Venue	"Kala Kunj", Kalamandir (Basement) 48, Shakespear Sarani, Kolkata-700 017
II.	Calendar for Financial Results for the Financial year 2012-13	
(A)	1st Quarter ending 30th June, 2012	Before the end of 14th August, 2012
(B)	2nd Quarter and Half-year ending 30th September, 2012	Before the end of 14th November, 2012
(C)	3rd Quarter ending 31st December, 2012	Before the end of 14th February, 2013
(D)	4th Quarter and Annual Results for the year ending 31st March, 2013	Before the end of 30th May, 2013
III.	Dates of Book Closure (both days inclusive)	28th July to 6th August, 2012

IV.	Dividend payment date	The dividend, if declared, will be paid/credited on or after 7th August, 2012
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 2012-13 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, 2012 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, 2011	227.90	180.00	N.T.	N.T.	19,811.14	18,976.19
May, 2011	228.90	192.20	N.T.	N.T.	19,253.87	17,786.13
June, 2011	210.00	168.50	N.T.	N.T.	18,873.39	17,314.38
July, 2011	219.00	180.00	N.T.	N.T.	19,131.70	18,131.86
August, 2011	199.00	171.30	N.T.	N.T.	18,440.07	15,765.53
September, 2011	230.00	190.00	N.T.	N.T.	17,211.80	15,801.01
October, 2011	253.95	202.00	N.T.	N.T.	17,908.13	15,745.43
November, 2011	264.00	198.50	N.T.	N.T.	17,702.26	15,478.69
December, 2011	220.00	173.10	N.T.	N.T.	17,003.71	15,135.86
January, 2012	254.80	169.40	N.T.	N.T.	17,258.97	15,358.02
February, 2012	311.00	194.00	N.T.	N.T.	18,523.78	17,061.55
March, 2012	242.90	188.00	N.T.	N.T.	18,040.69	16,920.61

N.T. : No Transaction

Source : 1) 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 30 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, 2012.

i) Distribution of Shareholding Pattern by ownership :

Sl. No.	Category	No. of Equity Shares held	Percentage of Shareholding
A.	Promoters' holding :		
	1. Promoters		
	– Indian Promoters	59,64,751	74.87
	– Foreign Promoters	—	—
	2. Persons acting in concert	—	—
	Sub-Total	59,64,751	74.87
B.	Non-Promoters' holding :		
	3. Institutional Investors		
	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	—	—
	Sub-Total	716	0.01

	4. Others		
	a) Private Corporate Bodies	7,33,391	9.20
	b) Indian Public	12,47,631	15.66
	c) NRIs/OCB	20,591	0.26
	d) Any others	—	—
	Sub-Total	20,01,613	25.12
	GRAND TOTAL	79,67,080	100.00

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		5.327	94.74	4,23,087 5.31
2.	501 to 1000	126	2.24	1,02,164	1.28
3.	1001 to 2000	67	1.19	1,03,720	1.30
4.	2001 to 3000	25	0.44	63,844	0.80
5.	3001 to 4000	18	0.32	61,677	0.78
6.	4001 to 5000	11	0.19	51,037	0.64
7.	5001 to 10000	24	0.43	1,78,160	2.24
8.	10001 to 50000	15	0.27	2,96,517	3.72
9.	50001 to 100000	4	0.07	3,03,693	3.81
10.	100001 and above	6	0.11	63,83,181	80.12
	Total	5,623	100.00	79,67,080	100.00

XII. Dematerialization of Shares

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

At Present 96.51% of the Company's Shares are held in electronic form and the Company's shares can only be traded in compulsory demat segment in the Stock Exchanges.

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

XIV. Plant Locations :

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

XV. Address for Correspondence with the Company :

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

All correspondences may please be addressed to Registrar and Share Transfer Agent at the following address :

MCS Limited
77/2A, Hazra Road, Kolkata- 700 029
Phone No. (033) 2454-1892/93
Fax No. (033) 2454-1961
E-mail : mcskol@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 23rd June, 2012 and the same has been approved.

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

Date: 23rd June, 2012

P. AGARWAL Managing Director

K.K. GANERIWALA Executive Director

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, 2012.

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

Date: 23rd June, 2012

For WPIL Limited

P. AGARWAL
Managing Director

AUDITORS' CERTIFICATE

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, 2012, 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 Agreements.

We state that in respect of investor grievances received during the year ended 31st March, 2012, no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders Committee.

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

Four Mangoe Lane
Surendra Mohan Ghosh Sarani
Place : Kolkata
Date : 23rd June, 2012

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

WPIL

AUDITORS' REPORT TO THE SHAREHOLDERS

1. We have audited the attached Balance Sheet of **WPIL LIMITED** as at 31st March, 2012 and also the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. 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 purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report, comply with the applicable Accounting Standards as referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the Directors as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956;
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said Financial Statements together with the notes thereon give the information required by the Companies Act, 1956, 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, 2012;
 - (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.

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

1. a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.

-
- b) The fixed assets of the Company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
 - c) During the year, the Company has not disposed off any substantial/major part of fixed assets.
 2. a) The inventory (excluding stocks lying with third parties) has been physically verified during the year at reasonable intervals by the management. In respect of stocks lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion the procedure of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical stocks and the book records were not material and the same have been properly dealt with in the books of account.
 3. a) The Company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, clause 4(iii) (b), (c), and (d), of the Order are not applicable.
 - b) The Company has not taken any loans, 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 accounts 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, 2012 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, the Company has not deposited the following dues on account of disputes with the appropriate authority :-

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

10. The Company has no accumulated losses at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
11. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of the dues to banks.
12. In our opinion and according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute applicable to chit fund/ nidhi/mutual benefit fund/societies are not applicable to the Company. Accordingly, clause 4(xiii) of the Order is not applicable.
14. In our opinion, the Company is not dealing in or trading in shares, debentures and other Investments. Accordingly, clause 4(xiv) of the Order is not applicable.

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

Four Mangoe Lane
Surendra Mohan Ghosh Sarani
Kolkata 700 001

Place : Kolkata
Date : 23rd June, 2012

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

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

WPIL

BALANCE SHEET

AS AT 31ST MARCH, 2012

	Note No.	31st March, 2012		31st March, 2011	
		Rs.	Rs.	Rs.	Rs.
I. EQUITY AND LIABILITIES					
1) Shareholders' Funds					
a) Share Capital	2	7,96,70,800		7,96,70,800	
b) Reserves and Surplus	3	59,03,44,164	67,00,14,964	41,05,48,689	49,02,19,489
2) Non-Current Liabilities					
a) Long-Term Borrowings	4	38,09,56,325		8,01,38,456	
b) Deferred Tax Liabilities (net)	5	2,72,22,081		2,26,62,864	
c) Long-Term Provisions	6	62,95,586	41,44,73,992	54,80,027	10,82,81,347
3) Current Liabilities					
a) Short-Term Borrowings	7	43,32,98,373		44,67,50,084	
b) Trade Payables	8	71,32,61,538		58,99,35,184	
c) Other Current Liabilities	9	24,83,74,590		13,09,18,832	
d) Short-Term Provisions	10	2,95,79,359	142,45,13,860	2,82,25,598	119,58,29,698
Total			250,90,02,816		179,43,30,534
II. ASSETS					
1) Non - Current Assets					
a) Fixed Assets					
i) Tangible Assets	11	29,33,96,577		25,01,47,702	
ii) Capital Work-in-Progress		—		1,16,36,054	
		29,33,96,577		26,17,83,756	
b) Non-Current Investments	12	8,27,65,500		40,16,000	
c) Long-Term Loans and Advances	13	5,15,77,152	42,77,39,229	5,47,23,978	32,05,23,734
2) Current Assets					
a) Inventories	14	29,88,73,788		14,32,66,877	
b) Trade Receivables	15	159,20,01,559		120,16,27,511	
c) Cash and Cash equivalents	16	1,78,13,301		1,07,21,825	
d) Short - Term Loans and Advances	17	17,09,56,369		11,81,59,698	
e) Other Current Assets	18	16,18,570	208,12,63,587	30,889	147,38,06,800
Total			250,90,02,816		179,43,30,534
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 : June 23, 2012	Membership no. 50051		

**STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31ST MARCH, 2012**

	Note No.	Year ended 31st March, 2012		Year ended 31st March, 2011	
		Rs.	Rs.	Rs.	Rs.
I. Revenue from Operations	19	306,75,20,396		224,79,53,583	
Less : Excise Duty		<u>6,09,21,377</u>	300,65,99,019	<u>5,30,94,360</u>	219,48,59,223
II. Other Income	20		2,36,64,011		34,78,045
III. Total Revenue (I+II)			<u>303,02,63,030</u>		<u>219,83,37,268</u>
IV. Expenses					
Cost of Raw Materials and Components consumed	21		205,65,64,414		141,72,94,200
Change in Inventories of Finished Goods and Work in Progress :	22		(3,61,35,479)		(1,56,95,417)
Employee Benefits Expenses	23		17,18,21,920		15,62,30,965
Finance Costs	24		12,51,94,979		5,96,82,229
Depreciation		1,99,70,040		1,72,81,215	
Less: Transferred from Revaluation Reserve		<u>2,21,368</u>	1,97,48,672	<u>2,22,598</u>	1,70,58,617
Other Expenses	25		<u>39,66,88,049</u>		<u>33,29,46,793</u>
			<u>273,38,82,555</u>		<u>196,75,17,387</u>
V. Profit before tax (III - IV)			29,63,80,475		23,08,19,881
VI. Tax expense					
- Current Tax		9,27,00,000		7,01,00,000	
- Tax adjustment of previous year		<u>6,46,881</u>		<u>1,44,852</u>	
		9,33,46,881		7,02,44,852	
- Deferred Tax		45,59,217		32,43,546	
			<u>9,79,06,098</u>		<u>7,34,88,398</u>
Profit for the year (V - VI)			19,84,74,377		15,73,31,483
Earnings per share (Face value of Rs 10/- each)					
(a) Basic			24.91		19.75
(b) Diluted			<u>24.91</u>		<u>19.75</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

Partner

U. CHAKRAVARTY

General Manager (Finance)
& Company Secretary

Place : Kolkata
Date : June 23, 2012

Membership no. 50051

1 SIGNIFICANT ACCOUNTING POLICIES

a) ACCOUNTING CONVENTIONS

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

b) PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENT

During the year ended 31st March, 2012, the revised Schedule VI notified under the Companies Act, 1956 has become applicable to the Company for preparation and presentation of its Financial Statements. The adoption of revised Schedule VI does not impact recognition and measurement policies followed for preparation of Financial Statements. However, it has significant impact on presentation and disclosure made in the Financial Statements. The Company has also reclassified its previous year figures in accordance with the requirements applicable in the current year.

c) FIXED ASSETS AND DEPRECIATION

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

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

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

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

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

d) 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.

e) INVESTMENTS

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

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.

g) RESEARCH & DEVELOPMENT EXPENSES

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

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2012 (contd.)**

h) 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.
- 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.

i) RETIREMENT BENEFITS

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

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

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

j) 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.

k) 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

l) BORROWING COST

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

m) 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.

n) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a

WPIL

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (contd.)

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.

	31st March, 2012	31st March, 2011
	Rs.	Rs.
2 SHARE CAPITAL		
(a) Authorised		
98,60,000 Ordinary Shares of Rs. 10/- each	9,86,00,000	9,86,00,000
14,000 11% Redeemable Cumulative Preference Shares of Rs. 100/- each	14,00,000	14,00,000
	10,00,00,000	10,00,00,000
(b) Issued, Subscribed and Paid Up		
79,67,080 Ordinary Shares of Rs. 10/- each fully paid up	7,96,70,800	7,96,70,800

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

	31st March, 2012		31st March, 2011	
	No. of Shares	% of Holding	No. of Shares	% of Holding
b) Name of the Shareholders holding more than 5% of the total shares issued by the Company				
Hindusthan Udyog Limited	38,61,659	48.47	38,61,659	48.47
Ashutosh Enterprises Limited	19,06,650	23.93	18,75,614	23.54

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

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

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2012 (contd.)**

	31st March, 2012		31st March, 2011	
	Rs.	Rs.	Rs.	Rs.
3 RESERVES AND SURPLUS				
a) Capital Reserve on Re-issue of forfeited shares As per last Financial Statement		3,500		3,500
b) Capital Redemption Reserve As per last Financial Statement		14,00,000		14,00,000
c) Revaluation Reserve As per last Financial Statement	57,60,866		59,83,464	
Less: Transferred to Statement of Profit and Loss	2,21,368		<u>2,22,598</u>	
		55,39,498		57,60,866
d) General Reserve As per last Financial Statement	19,37,15,302		9,37,15,302	
Add : Transfer from Surplus	15,00,00,000		<u>10,00,00,000</u>	
		34,37,15,302		19,37,15,302
e) Surplus As per last Financial Statement	20,96,69,021		17,09,18,163	
Add : Excess provision for Tax on Dividend for the year 2011 written back	61,545			
	20,97,30,566		<u>17,09,18,163</u>	
Add : Profit for the year as per Statement of Profit and Loss	19,84,74,377		<u>15,73,31,483</u>	
	40,82,04,943		<u>32,82,49,646</u>	
Less : Appropriations				
– Transfer to General Reserve	15,00,00,000		10,00,00,000	
– Proposed Dividend	1,59,34,160		1,59,34,160	
– Tax on Dividend	25,84,919	23,96,85,864	<u>26,46,465</u>	<u>20,96,69,021</u>
		59,03,44,164		<u>41,05,48,689</u>

WPIL

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (contd.)

	31st March, 2012		31st March, 2011	
	Rs.	Rs.	Rs.	Rs.
4 LONG TERM BORROWINGS				
Secured :				
Term Loans :				
a) Vehicle Loans				
– From Banks	12,39,128		—	
Less: Repayable within one year	2,82,803	9,56,325	—	—
– From Others	—		3,92,808	
Less: Repayable within one year	—	—	2,54,352	1,38,456
b) Others (Refer Note A below)		30,00,00,000		—
(Secured by First Pari Passu charge on whole of the fixed assets of the Company, and personal guarantee of one Director)				
Unsecured :				
– From Corporate Bodies		8,00,00,000		8,00,00,000
		38,09,56,325		8,01,38,456

Note A - "Others" represent Term Loan comprising of two loans amounting to Rs. 15 crores each, repayable as under :

- Term Loan of Rs. 15 crores repayable in three equal instalments of Rs. 5 crores each on 20.10.2013, 20.10.2014 and 20.10.2015.
- Term Loan of Rs. 15 crores repayable in two equal instalments of Rs. 7.50 crores each on 20.06.2013 and 20.09.2013.

5 DEFERRED TAX LIABILITIES (Net)

In compliance with the Accounting Standard 22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the Company has adjusted the Deferred Tax Liability (net) of Rs. 45,59,217/- for the year has been recognized in the Profit and Loss Account. The Deferred Tax Liability (net) comprises of :

	31st March, 2012		31st March, 2011	
	Rs.	Rs.	Rs.	Rs.
a) Deferred Tax Liabilities :				
– Depreciation on Fixed Assets		3,15,10,242		2,51,09,627
b) Deferred Tax Assets :				
– Employees Benefits	40,85,219		21,96,673	
– Others	2,02,942	42,88,161	2,50,090	24,46,763
		2,72,22,081		2,26,62,864

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2012 (contd.)**

	31st March, 2012	31st March, 2011
	Rs.	Rs.
6 LONG TERM PROVISIONS		
– Leave Encashment [Refer Note 26(k)]	62,95,586	54,80,027
	62,95,586	54,80,027

	31st March, 2012	31st March, 2011
	Rs.	Rs.
7 SHORT TERM BORROWINGS		
LOANS REPAYABLE ON DEMAND		
(a) Secured		
* Cash Credit from Banks (Secured by first parri passu charge by way of hypothecation on Stocks, Consumable Stores, Book Debts and other movables and first mortgage/charge over the Company's present and future fixed assets)	33,59,76,403	39,76,46,400
	33,59,76,403	39,76,46,400
(b) Unsecured		
Short Term Loans from :		
** Bank	9,73,21,970	4,91,03,684
	9,73,21,970	4,91,03,684
Total	43,32,98,373	44,67,50,084

* Includes Foreign Currency Loan of USD 20,14,670.50, equivalent to Rs. 10,29,69,809/-, repayable within six months

** Includes Foreign Currency Loan of JPY 7,20,00,000, equivalent to Rs 4,49,35,200/-, repayable on 21.08.2012; and USD 10,24,980 equivalent to Rs. 5,23,86,770/-, repayable on 30.04.2012.

	31st March, 2012	31st March, 2011
	Rs.	Rs.
8 TRADE PAYABLE		
a) Acceptances	12,29,39,201	1,46,47,923
b) Sundry Creditors	59,03,22,337	57,52,87,261
	71,32,61,538	58,99,35,184

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, 2012; (2011 – Rs Nil).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2012 (contd.)

9 OTHER CURRENT LIABILITIES

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

31st March, 2012		31st March, 2011	
Rs.	Rs.	Rs.	Rs.
	4,21,259		2,54,352
	19,34,33,564		8,72,58,161
	40,49,591		—
	5,40,401		7,52,232
	2,41,83,504		2,00,80,830
	11,06,000		11,06,000
	2,46,40,271	4,99,29,775	2,14,67,257
	24,83,74,590		4,26,54,087
			13,09,18,832

10 SHORT TERM PROVISIONS

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

31st March, 2012		31st March, 2011	
Rs.	Rs.	Rs.	Rs.
	1,59,34,160		1,59,34,160
	25,84,919		26,46,465
	8,74,172		11,32,973
	1,01,86,108		85,12,000
	2,95,79,359		2,82,25,598

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2012 (contd.)**

11 FIXED ASSETS

	GROSS BLOCK		DEPRECIATION		NET BLOCK					
	Cost/Valuation As at 31st March, 2011	Additions during the year	Disposals/ Adjustments during the year	As at 31st March, 2012	Upto 31st March, 2011	For the year	Deductions/ Adjustments during the year	Upto 31st March, 2012	As at 31st March, 2011	As at 31st March, 2012
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
TANGIBLE ASSETS										
Land : Freehold	42,33,840	—	—	42,33,840	—	—	—	—	42,33,840	42,33,840
Leasehold	57,48,138	—	—	57,48,138	16,70,009	78,108	—	17,48,117	40,00,021	40,78,129
Buildings (Refer Note A below)	9,81,70,113	1,94,74,907	—	11,76,45,020	3,42,68,338	32,80,737	—	3,75,49,075	8,00,95,945	6,39,01,775
Plant and Machinery (Refer Note B below)	24,81,29,312	2,91,54,119	—	27,72,83,431	10,48,71,978	1,10,34,871	—	11,59,06,849	16,13,76,582	14,32,57,334
Factory Equipment	30,96,312	—	—	30,96,312	28,76,815	63,930	—	29,40,745	1,55,567	2,19,497
Patterns and Moulds	5,25,63,401	15,21,000	—	5,40,84,401	4,09,81,134	22,90,013	—	4,32,71,147	1,08,13,254	1,15,82,267
Electrical Installation	1,75,29,680	20,80,711	—	1,96,10,391	48,45,042	7,80,118	—	56,25,160	1,39,85,231	1,26,84,638
Furniture and Fittings	1,75,08,626	94,00,738	—	2,69,09,364	91,13,956	20,96,386	—	1,12,10,342	1,56,99,022	83,94,670
Motor Vehicles	28,05,963	23,20,214	12,36,764	38,89,413	10,10,411	3,45,877	5,03,990	8,52,298	30,37,115	17,95,552
Total	44,97,85,385	6,39,51,689	12,36,764	51,25,00,310	19,96,37,683	1,99,70,040	5,03,990	21,91,03,733	29,33,96,577	25,01,47,702
Previous year	40,85,34,602	4,12,50,783	—	44,97,85,385	18,23,56,468	1,72,81,215	—	19,96,37,683	25,01,47,702	—

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, 2012 on the amounts added on revaluation amounting to Rs. 2,21,368/- (2011 - Rs. 2,22,598/-) has been credited to the Statement of Profit and Loss by transfer from Revaluation Reserve Account.

Note - B : Gross Block includes Rs. 1,03,42,177/- acquired for Research and Development purpose.

WPIL

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (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	In Subsidiaries : Sterling Pump Pty Ltd., Australia
15,87,332	SGD	1	WPIL Pte International Ltd. Singapore
400,000	INR	10	In Joint Venture: Clyde Pumps India Private Limited
b Other Investments			
	INR		Government Securities 7Year 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, 2012		31st March, 2011	
Rs.	Rs.	Rs.	Rs.
	2,11,81,500		—
	5,75,68,000		—
	40,00,000		40,00,000
23,000	—	23,000	—
23,000	—	23,000	—
	7,000		7,000
	9,000		9,000
	<u>8,27,65,500</u>		<u>40,16,000</u>

13 LONG TERM LOANS AND ADVANCES – UNSECURED

(Considered good)

Security Deposits :

– Earnest Money Deposit

– Others

Other Advances

31st March, 2012		31st March, 2011	
Rs.	Rs.	Rs.	Rs.
95,45,106		1,26,42,432	
7,82,046	1,03,27,152	8,31,546	1,34,73,978
	<u>4,12,50,000</u>		<u>4,12,50,000</u>
	<u>5,15,77,152</u>		<u>5,47,23,978</u>

14 INVENTORIES

(at lower of cost or net realisable value)

- Raw Materials and Components
(Refer Note A and B)
- Work-in-Progress
- Finished Goods (Refer Note B)
- Stores and Spare Parts

31st March, 2012		31st March, 2011	
Rs.	Rs.	Rs.	Rs.
	20,39,90,288		8,98,05,885
	7,36,68,537		2,75,26,306
	1,16,82,556		2,16,89,308
	95,32,407		42,45,378
	<u>29,88,73,788</u>		<u>14,32,66,877</u>

Note-A : Includes materials lying with third parties Rs. 1,58,52,622/- (2011 - Rs. 97,47,201/-)

Note-B : Includes Stock-in-transit of Raw Materials Rs. NIL, (2011 - Rs. 8,58,299/-), and Finished Goods Rs. Nil (2011 - Rs. 6,15,128/-)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2012 (contd.)**

	31st March, 2012		31st March, 2011	
	Rs.	Rs.	Rs.	Rs.
15 TRADE RECEIVABLES – UNSECURED (CONSIDERED GOOD)* [Refer Note 26(j)]				
a) Debts outstanding for a period exceeding six months		19,22,49,978		16,94,94,516
b) Other Debts		139,97,51,581		103,21,32,995
* Includes Receivables from Related Parties Rs. 1,90,11,708/-, (2011- Rs. 94,49,868/-)		159,20,01,559		120,16,27,511

	31st March, 2012		31st March, 2011	
	Rs.	Rs.	Rs.	Rs.
16 CASH AND CASH EQUIVALENTS				
a) Balance with Banks : – On Current Account		72,91,393		29,69,436
b) Cash - in - hand *		40,55,207		24,26,536
c) Other Bank balances – On Unclaimed Dividend Account – On Bank Deposits with less than 12 months maturity		5,40,401		7,52,232
		59,26,300		45,73,621
		1,78,13,301		1,07,21,825

* As certified by the Management

	31st March, 2012		31st March, 2011	
	Rs.	Rs.	Rs.	Rs.
17 SHORT TERM LOANS AND ADVANCES – UNSECURED (CONSIDERED GOOD)				
a) Loans and Advances to Related Parties [Refer Note 26(j)]		4,00,02,000		—
b) Others :				
– Balance with Central Excise authority	6,51,37,659		4,89,56,396	
– Balance with Sales tax authorities	1,91,15,011		99,47,262	
– Balance with Customs authority	3,27,692		—	
– Others	4,22,89,315	12,68,69,677	5,83,53,244	11,72,56,902
c) Advance payment of Income - Tax [Net of Provision for Income Tax - Rs. 927 lacs, (2011 - Rs. 701 lacs)]		40,84,692		9,02,796
		17,09,56,369		11,81,59,698

WPIL

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (contd.)

18 OTHER CURRENT ASSETS

- Interest Receivables

31st March, 2012		31st March, 2011	
Rs.	Rs.	Rs.	Rs.
	16,18,570		30,889

19 REVENUE FROM OPERATIONS

a) Sale of Products

- Pumps

- Spare Part of Pumps

- Grey Iron Castings

- Accessories of Pumps

- Others

b) Sale of Services

c) Other Operating Revenues :

- Duty Drawback

31st March, 2012		31st March, 2011	
Rs.	Rs.	Rs.	Rs.
91,16,75,953		87,48,70,989	
44,10,44,663		33,12,89,201	
48,98,559		25,93,861	
162,61,20,792		97,07,67,400	
1,21,59,794	299,58,99,761	78,31,704	218,73,53,155
	7,11,34,624		6,00,32,689
	4,86,011		5,67,739
	306,75,20,396		224,79,53,583

20 OTHER INCOME

a) Interest Income (Gross)

(TDS - Rs. 23,815/-; 2011 - Rs. 2,849/-)

b) Gain on Commodity Transaction

c) Net Gain/(loss) on Foreign currency translation and transaction

d) Claims and Compensations received

e) Rent income

(TDS - Rs. 2,66,000/-; 2011 - Rs. Nil)

f) Sundry Income

g) Liability no longer required, written back

31st March, 2012		31st March, 2011	
Rs.	Rs.	Rs.	Rs.
32,33,105			2,23,817
	—		3,33,045
71,45,430			(9,08,853)
22,98,580			12,20,914
26,60,000			—
10,78,041			24,17,856
72,48,855			1,91,266
2,36,64,011			34,78,045

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2012 (contd.)**

	Year ended 31st March, 2012	Year ended 31st March, 2011
	Rs.	Rs.
21 COST OF RAW MATERIALS AND COMPONENTS CONSUMED		
Pig iron/Ferrous Scrap	3,24,56,767	2,55,08,234
Cables & Winding wires	93,33,267	2,35,57,820
Pipes & Tubes	4,43,24,847	69,69,568
Steel Shafting	9,51,80,487	8,89,88,929
Bronze & other metal ingots	3,08,75,929	2,45,00,757
Motors, Engines & Starters	35,75,73,775	21,42,18,937
Valves	7,30,56,508	4,05,84,325
C.I.Castings	4,94,61,280	3,85,73,819
M.S.Sheets	22,35,40,611	11,38,53,710
Steel/Alloy Steel Castings	20,11,37,514	12,72,24,127
Spare & others	93,96,23,429	71,33,13,974
	<u>205,65,64,414</u>	<u>141,72,94,200</u>

	Year ended 31st March, 2012	Year ended 31st March, 2011
	Rs.	Rs.
22 CHANGE IN INVENTORIES OF FINISHED GOODS & WORK IN PROGRESS		
Opening Stock :		
– Work in Progress	2,75,26,306	1,65,72,759
– Finished Goods	2,16,89,308	1,69,47,438
	4,92,15,614	3,35,20,197
Closing Stock :		
– Work in Progress	7,36,68,537	2,75,26,306
– Finished Goods	1,16,82,556	2,16,89,308
	8,53,51,093	4,92,15,614
	<u>(3,61,35,479)</u>	<u>(1,56,95,417)</u>

	Year ended 31st March, 2012	Year ended 31st March, 2011
	Rs.	Rs.
23 EMPLOYEE BENEFIT EXPENSES		
a) Salaries and Wages	14,51,35,890	12,78,09,845
b) Contribution to Provident and Other Funds	1,30,53,424	1,55,76,800
c) Contribution to Employees State Insurance Scheme	24,28,934	24,05,195
d) Staff Welfare Expense	1,12,03,672	1,04,39,125
	<u>17,18,21,920</u>	<u>15,62,30,965</u>

WPIL

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (contd.)

24 FINANCE COST

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

* Includes Rs 91,96,262/- on Fixed Loans, (2011 - Rs 50,665/-)

Year ended 31st March, 2012	Year ended 31st March, 2011
Rs.	Rs.
7,88,66,178	4,28,80,541
3,03,23,519	1,85,18,004
<u>1,60,05,282</u>	<u>(17,16,316)</u>
<u>12,51,94,979</u>	<u>5,96,82,229</u>

25 OTHER EXPENSES

[Refer Note 26(g)]

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

Year ended 31st March, 2012	Year ended 31st March, 2011
Rs.	Rs.
5,11,22,592	5,19,40,590
9,50,777	6,33,376
2,62,49,855	2,27,02,340
8,89,27,563	5,68,77,780
1,56,15,442	1,18,04,097
74,50,083	42,58,768
48,51,898	44,90,266
37,81,204	36,01,384
50,24,955	44,16,277
35,11,431	32,97,668
26,81,560	37,91,075
2,71,42,469	2,25,43,642
15,63,853	—
2,88,542	—
3,80,79,535	2,48,84,535
63,40,050	89,52,522
3,28,215	4,96,759
2,72,36,486	3,61,214
88,325	1,57,28,141
1,31,82,152	1,49,69,877
3,71,64,278	4,50,06,970
10,50,534	26,56,524
72,000	64,000
4,00,000	4,00,000
5,60,000	3,25,000
2,60,000	1,50,000
35,000	35,000
8,55,000	5,10,000
<u>3,27,29,250</u>	<u>2,85,58,988</u>
<u>39,66,88,049</u>	<u>33,29,46,793</u>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2012 (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. Nil, 2011– Rs. 4,95,000/-)
- c) Claims against the Company not acknowledged as debts
- d) Contingent liabilities not provided for in the Financial Statements in respect of the following :
- Sales Tax matters under dispute
 - Excise Duty matters under dispute
 - Bank Guarantee outstanding
 - Corporate Guarantee outstanding

31st March, 2012	31st March, 2011
Rs.	Rs.
—	6,50,000
15,83,740	17,77,155
16,34,683	15,18,015
1,85,41,301	1,85,41,301
1,92,752	1,85,700
45,78,61,540	41,77,91,130
63,25,00,000	—

- e) Accrued liability on account of Gratuity payable to the employees of the Company on retirement at future dates as per actuarial valuation as at 31st March, 2012 amounts to Rs. 2,19,47,713/- (2011 – Rs. 2,15,05,000/-). A total sum of Rs. 4,79,06,560/- (including Rs. 35,00,000/- 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. 72,50,892/- have been adjusted against the earlier provisions and Rs. 89,25,000/- have been provided afresh.
- g) Research and Development Expenses

Research and Development Expenses relating to revenue nature aggregating to Rs. 66.97 lacs (2011– Rs. 59.80 lacs) have been charged to respective heads of accounts in the Statement of Profit and Loss, and relating to capital nature aggregating to Rs. Nil (2011– Rs. 28.17 lacs) have been debited to different heads in Fixed Assets in the Balance Sheet.

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

31st March, 2012	31st March, 2011
Rs.	Rs.
19,84,74,377	15,73,31,483
10.00	10.00
79,67,080	79,67,080
24.91	19.75

WPIL

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (contd.)

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 :

	2011 - 12	2010 - 11
	(Rs. in Lacs)	(Rs. in Lacs)
- Shareholders' Fund	329.72	142.20
- Assets	641.37	450.68
- Liabilities	311.65	308.48
- Income	1,340.64	920.02
- Expenses	1,066.56	810.68

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)
 - Mathers Foundry Limited, Manchester, U.K. (Mathers)
 - WPIL International Ltd. - Singapore (WPIL-Sing.)
- ii) 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
- iv) 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, 2012 (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	WPIL -Sing	BengalSteel	HUL	WPIL-Thy	
Sale of Products	2,03,12,398 (3,90,14,615)	44,91,329 (Nil)	— (Nil)	— (Nil)	— (Nil)	85,75,282 (37,66,721)	74,22,283 (Nil)	— —
Purchase of Goods	21,41,675 (2,33,554)	81,15,534	—	—	—	26,03,79,048 (17,02,40,483)	—	—
Rent paid	— (Nil)	— (Nil)	— (Nil)	— (Nil)	48,00,000 (48,00,000)	30,80,000 (19,80,000)	— (Nil)	—
Dividend paid	—	—	—	—	—	—	—	3,92,884 (3,92,884)
Amenities paid	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	13,72,366 (14,81,105)	— (Nil)	—
Commission payment	7,02,000 (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	—
Ellectricity charges paid	— (Nil)	— (Nil)	— (Nil)	— (Nil)	23,52,649 (16,94,730)	— (Nil)	— (Nil)	—
Interest income	— (Nil)	4,54,384 (Nil)	— (Nil)	9,11,806 (Nil)	— (Nil)	— (Nil)	— (Nil)	—
Rent received	26,60,000 (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	—
Investments made	— (Nil)	2,11,81,500 (Nil)	— (Nil)	5,75,68,000 (Nil)	— (Nil)	— (Nil)	— (Nil)	—
Loans given	— (Nil)	1,57,59,000 (Nil)	— (Nil)	2,42,43,000 (Nil)	— (Nil)	— (Nil)	— (Nil)	—
Remuneration, Comission and Sitting Fees								
– Mr. P. Agarwal	—	—	—	—	—	—	—	42,15,222 (36,13,053)
– Mr. K. K. Ganeriwala	—	—	—	—	—	—	—	29,28,896 (23,46,211)
– Mr. V. N. Agarwal	—	—	—	—	—	—	—	1,12,000 (1,06,000)
As at March 31st, 2012								
Trade Receivables	1,19,24,375 (86,31,001)	2,08,757 (Nil)	— (Nil)	— (Nil)	— (Nil)	43,94,860 (8,18,867)	24,83,716 (Nil)	— (Nil)
Trade Payables	4,88,335 (Nil)	8,91,094 (Nil)	— (Nil)	— (Nil)	— (Nil)	10,88,50,640 (8,58,84,915)	— (Nil)	— (Nil)
Interest receivable	— (Nil)	4,54,384 (Nil)	— (Nil)	9,11,806 (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)
Investments	40,00,000 (40,00,000)	2,11,81,500 (Nil)	— (Nil)	5,75,68,000 (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)
Loan outstanding	— (Nil)	1,57,59,000 (Nil)	— (Nil)	2,42,43,000 (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)
Corporate Guarantee issued	— (Nil)	— (Nil)	— (Nil)	63,25,00,000 (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)
Personal Guarantee issued (by Mr. P. Agarwal)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	30,00,00,000 (Nil)
Bank Guarantee issued	— (Nil)	— (Nil)	2,31,36,728 (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)	— (Nil)

Figures in bracket indicate previous year's figure.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2012 (contd.)**

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

(Rupees in Lacs)

	Year ended 31st March, 2012		Year ended 31st March, 2011		
	Gratuity	Leave Encash- ment	Gratuity	Leave Encash- ment	
A. Components of Employer Expenses :					
1. Current Service Cost	16.21	1.86	15.45	4.91	
2. Interest Cost	18.28	5.62	17.58	4.71	
3. Expected Return on Plan Assets	(0.65)	-	-	-	
4. Actuarial (Gain)/Loss	(0.81)	7.90	41.86	6.76	
5. Past Service Cost	-	-	6.11	-	
6. Expenses recognized in the Statement of Profit and Loss	33.03	15.38	81.00	16.38	
B) Net Assets/(Liability) recognised in the Balance Sheet as at 31st March :					
1. Present value of obligation as at 31st March	219.48	71.70	215.05	66.13	
2. Fair value of Plan Assets as at 31st March	(12.50)	-	(7.62)	-	
3. (Assets)/Liability recognized in the Balance Sheet	206.98	71.70	207.43	66.13	
C) Change in the Defined Benefit Obligation (DBO) during the year ended 31st March :					
1. Present value of obligation at the beginning of the year	215.05	66.13	213.07	57.13	
2. Current Service Cost	16.21	1.86	15.45	4.91	
3. Interest Cost	18.28	5.62	17.58	4.71	
4. Past Service Cost	-	-	6.11	-	
5. Actuarial (Gain)/Loss	0.35	7.90	41.86	6.76	
6. Benefits paid	(30.41)	(9.81)	(79.02)	(7.38)	
7. Present value of obligation at the end of the year	219.48	71.70	215.05	66.13	
D) Change in the Fair Value of Plan Assets :					
1. Plan Assets at the beginning of the year	7.62	-	11.25	-	
2. Actual return on Plan Assets	1.81	-	-	-	
3. Actual Company's contribution	33.48	9.81	75.39	7.38	
4. Benefits paid	(30.41)	(9.81)	(79.02)	(7.38)	
5. Fair value of Plan Assets at the end of the year	12.50	-	7.62	-	
E) Actuarial assumptions :					
1. Discount rate (p.a.)	8.50%	8.25%	8.25%	8.25%	
2. Expected rate of return (p.a.)	9.15%	N.A	8.50%	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 :					
	2011-12	2010-11	2009-10	2008-09	2007-08
1. Defined Benefit Obligation as at 31st March	219.48	215.05	213.07	200.01	197.73
2. Plan Asset as at 31st March	12.50	7.62	11.25	11.13	11.04
3. Surplus/(Deficit)	(206.98)	(207.43)	(201.82)	(188.88)	(186.09)
4. Experience adjustment on Plan Assets	1.16	-	-	-	-
5. Experience adjustment on Plan Liabilities	3.45	(41.86)	(23.82)	(14.72)	3.82

l) Segment Reporting :

The Company is 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 is no business segment. The provisions of reporting of geographical segments based on location of customers, i.e. domestic and export as per Accounting Standard 17 does not apply, and hence not reported here.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2012 (contd.)**

m) Value of Raw Materials and Components consumed are as follows :

	Year ended 31.03.2012		Year ended 31.03.2011	
	Percentage	Value Rs.	Percentage	Value Rs.
(i) Indigenous	96%	197,61,17,349	97%	137,68,44,406
(ii) Imported	4%	8,04,47,065	3%	4,04,49,794
	100%	205,65,64,414	100%	141,72,94,200
n) Value Stores and Spare Parts Consumed (100% indigenous)	100%	5,11,22,592	100%	5,19,40,590
		Year ended 31.03.2012		Year ended 31.03.2011
o) Expenditure in Foreign Currency in connection with		Rs.		Rs.
(i) Foreign Business Tour		43,70,764		40,74,927
(ii) Professional Fees		52,23,201		—
(iii) Others		2,84,01,790		78,56,277
		<u>3,79,95,755</u>		<u>1,19,31,204</u>
p) Earning in Foreign Exchange in respect of :				
(i) F. O. B value of Exports		26,52,65,535		11,38,67,363
(ii) Interest income		13,66,190		—
(iii) Others		17,04,210		16,85,561
		<u>26,83,35,935</u>		<u>11,55,52,924</u>
q) C.I.F. Value of Imports :				
(i) Raw Materials		7,45,79,023		4,84,52,970
(ii) Machinery		97,11,535		1,02,57,229
		<u>8,42,90,558</u>		<u>5,87,10,199</u>
r) Dividend remitted to Non-resident Shareholders in Foreign Currency :		2011-12		2010-11
(i) Number of Non – resident shareholders		15		20
(ii) Number of Shares held by Non – resident shareholders		2933		3,535
(iii) Amount remitted for the year (Rs.)		5866		7,070
(iv) Financial year to which Dividend relates		2010 - 11		2009-10

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

Signature to Notes 1 to 26.

	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 : June 23, 2012	Membership no. 50051		& Company Secretary

WPIL

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2012

	Year ended 31st March, 2012		Year ended 31st March, 2011	
	Rs.	Rs.	Rs.	Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit before Tax and Extraordinary Items		29,63,80,475		23,08,19,881
Adjustment for:				
(Profit) / Loss on sale of Fixed Assets	2,88,542		—	
(Gain) / Loss on Foreign Exchange	69,15,564		(20,35,779)	
Depreciation	1,97,48,672		1,70,58,617	
Interest income	(32,33,105)		(2,23,817)	
Liabilities no longer required written back	(72,48,855)		(1,91,266)	
Bad debts / Advances / Claims written off	88,325		1,57,28,141	
Interest charge	7,88,66,178	9,54,25,321	4,28,80,541	7,32,16,437
Operating Profit before Working Capital Changes		39,18,05,796		30,40,36,318
Adjustment for:				
Trade and other receivables	(43,49,97,307)		(36,56,45,446)	
Inventories	(15,56,06,911)		(85,35,146)	
Trade payables	24,63,00,366	(34,43,03,852)	7,63,98,825	(29,77,81,767)
Cash Generated from Operations		4,75,01,944		62,54,551
Tax paid		(9,65,28,777)		(7,23,95,352)
Net Cash from Operating Activities		(4,90,26,833)		(6,61,40,801)
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Fixed Assets	(5,23,15,635)		(4,92,82,281)	
Sale of Fixed Assets	4,44,232		—	
Purchase of Investments	(7,87,49,500)		—	
Interest Received	16,45,424		2,23,817	
Net Cash used in Investing Activities		(12,89,75,479)		(4,90,58,464)

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH, 2012**

	Year ended 31st March, 2012		Year ended 31st March, 2011	
	Rs.	Rs.	Rs.	Rs.
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds from Long Term Borrowing	30,12,53,000		—	
Repayments of Long Term Borrowing	(2,68,224)		(3,86,635)	
Proceeds from Short Term Borrowing	13,48,16,316		55,53,88,946	
Repayments of Short Term Borrowing	(15,71,59,806)		(36,26,23,042)	
Dividend paid	(1,61,45,991)		(1,52,97,743)	
Dividend Tax paid	(25,84,920)		(27,08,010)	
Interest paid	(7,48,16,587)		(5,28,95,702)	
Net Cash used in Financing Activities		18,50,93,788		12,14,77,814
Net Increase / (Decrease) in Cash and Cash Equivalents		70,91,476		62,78,549
Cash and Cash Equivalents (Opening balance)		1,07,21,825		44,43,276
Cash and Cash Equivalents (Closing balance)		1,78,13,301		1,07,21,825

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)

	31.03.2012	31.03.2011
	Rs.	Rs.
2. Cash & cash equivalents include :		
– Cash in hand	40,55,207	24,26,536
– With Scheduled Banks :		
On Current Accounts	72,91,393	29,69,436
On Unclaimed Dividend A/C	5,40,401	7,52,232
On Fixed Deposit A/cs	59,26,300	45,73,621
	1,78,13,301	1,07,21,825

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 : June 23, 2012	(V. K. SINGHI) Partner Membership no. 50051		

WPIL

AUDITORS' REPORT TO THE BOARD OF DIRECTORS

1. We have audited the attached consolidated Balance Sheet of WPIL Limited (the "Company") and its subsidiaries and joint ventures ; (collectively referred to as "the Group") as at 31st March, 2012, and also the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year ended on that date both annexed thereto. The Consolidated Financial Statements are the responsibility of the Company's management and have been prepared by the management on the basis of the separate Financial Statements and other financial information regarding components. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall Financial Statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. The Financial Statements of subsidiaries namely WPIL International Pte Limited (Singapore), Mathers Foundry Limited (United Kingdom) 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.
4. We have relied on the unaudited Financial Statements of the Subsidiary Company namely Sterling Pumps Pty Limited (Australia) and the Joint Venture Company namely Clyde Pump India Private Limited, their Financial Statements reflect the Group's share of Total Assets of Rs. 1,392.92 Lakhs as at 31st March, 2012 and the Group's share of Total Revenues of Rs. 2,096.75 Lakhs for the year ended on that date, and Net Cash Inflows of Rs. 333.54 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.
5. The Financial Statements of subsidiaries and joint ventures, whose financial statements reflect the Group's share of Total Assets of Rs.10,761.29 Lakhs as at 31st March, 2012 and the Group's share of Total Revenues of Rs. 7,200.24 Lakhs for the year ended on that date, and Net Cash Outflows of Rs. 123.49 Lakhs for the year ended on that date have not been audited by us.
6. 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.
7. 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.
8. 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

9. We report that on the basis of information and according to the explanations given to us and on consideration of the separate audit reports and fit for consolidation reports of the management we are of the opinion that the said Consolidated Financial Statements read together with significant accounting policies and notes appearing thereon give a true and fair view in conformity with the accounting principles generally accepted in India:
- a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2012
 - b) In case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
 - c) In the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Four Mangoe Lane
Surendra Mohan Ghosh Sarani
Kolkata 700 001

Date : 23rd June, 2012

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, 2012

	Note No.	31st March, 2012	
		Rs.	Rs.
I. EQUITY AND LIABILITIES			
1) Shareholders' Funds			
a) Share Capital	2	7,96,70,800	
b) Reserves and Surplus	3	65,09,27,313	73,05,98,113
2) Minority Interest			
			10,62,30,223
3) Non - Current Liabilities			
a) Long - Term Borrowings	4	69,24,95,400	
b) Deferred Tax Liabilities (net)	5	2,68,89,174	
c) Other Long Term Liabilities	6	3,24,540	
d) Long -Term Provisions	7	62,95,586	72,60,04,700
4) Current Liabilities			
a) Short -Term Borrowings	8	64,73,79,859	
b) Trade Payables	9	90,41,28,205	
c) Other Current Liabilities	10	30,35,97,090	
d) Short -Term Provisions	11	3,74,77,054	189,25,82,208
Total			345,54,15,244
II. ASSETS			
1) Non - Current Assets			
a) Fixed Assets	12		
i) Tangible Assets		74,67,83,580	
ii) Intangible Assets		5,99,516	
iii) Capital Work-in-Progress		6,238	
		74,73,89,334	
b) Non - Current Investments	13	16,000	
c) Long - Term Loans and Advances	14	5,25,96,097	80,00,01,431
2) Current Assets			
a) Inventories	15	51,43,84,264	
b) Trade Receivables	16	190,74,00,582	
c) Cash and Cash equivalents	17	7,96,97,695	
d) Short - Term Loans and Advances	18	14,01,98,675	
e) Other Current Assets	19	1,37,32,597	265,54,13,813
Total			345,54,15,244

Significant Accounting Policies 1
The accompanying Notes form an integral part of the Financial Statements

	As per our Report of even date		
	For V. Singhi & Associates		
	Chartered Accountants	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 : June 23, 2012	Membership no. 50051		

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31ST MARCH, 2012**

	Note No.	Year ended 31st March, 2012	
		Rs.	Rs.
I. Revenue from Operations	20	374,35,31,730	
Less : Excise Duty		6,09,21,377	368,26,10,353
II. Other Income	21		5,07,75,359
III. Total Revenue (I + II)			373,33,85,712
IV. Expenses			
Cost of Raw Materials and Components consumed	22		236,37,45,491
Change in Inventories of Finished Goods and Work in Progress :	23		(4,75,82,534)
Employee Benefits Expenses	24		36,03,74,080
Finance Costs	25		14,31,00,970
Depreciation		2,51,01,127	
Less: Transferred from Revaluation Reserve		14,09,611	2,36,91,516
Other Expenses	26		55,40,60,438
			339,73,89,961
V. Profit before tax (III – IV)			33,59,95,751
VI. Tax expense			
– Current Tax		9,27,00,000	
– Tax adjustment of previous year		6,46,881	
		9,33,46,881	
– Deferred Tax		45,59,217	
		9,79,06,098	
– Share of Joint Ventures		86,56,303	10,65,62,401
Profit after tax before share of Minority Interests for the year (V-VI)			22,94,33,350
Less: Minority Interests			56,30,228
Profit for the year			22,38,03,122
Earnings per share (Face value of Rs 10/- each)			
(a) Basic			28.09
(b) Diluted			28.09

Significant Accounting Policies 1
The accompanying Notes form an integral part of the Financial Statements

	As per our Report of even date		
	For V. Singhi & Associates		
	Chartered Accountants	PRAKASH AGARWAL	Managing Director
	Registration no. 311017E	K.K. GANERIWALA	Executive Director
	(V. K. SINGHI)	U. CHAKRAVARTY	General Manager (Finance)
Place : Kolkata	Partner		& Company Secretary
Date : June 23, 2012	Membership no. 50051		

WPIL

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

1 SIGNIFICANT ACCOUNTING POLICIES

1. ACCOUNTING CONVENTION

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

2. PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENT

During the year ended 31st March, 2012, the revised Schedule VI notified under the Companies Act, 1956 has become applicable to the Company for preparation and presentation of its Financial Statements. The adoption of revised Schedule VI does not impact recognition and measurement policies followed for preparation of Financial Statements. However, it has significant impact on presentation and disclosure made in the Financial Statements.

3. 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, labor and proportionate allocable overheads.

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

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

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

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

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

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

Negative Goodwill of a Subsidiary Company is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Statement of Profit and Loss over its estimated economic life.

Following the Change of ownership of a subsidiary Company in 2011, the Directors of the said Company have evaluated the negative Goodwill. They conclude that the negative goodwill can be released to profit in the period.

4. 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.

5. LEASING

A Subsidiary Company has obtained Assets under hire purchase contracts and finance leases are capitalized as tangible

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (contd.)

SIGNIFICANT ACCOUNTING POLICIES (contd.)

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

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

6. INVESTMENTS

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

7. 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 labor 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.

8. 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.

9. FOREIGN CURRENCY TRANSACTIONS

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

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

Non-monetary foreign currency items are carried at cost.

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

10. RETIREMENT BENEFITS

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

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

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.

WPIL

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

SIGNIFICANT ACCOUNTING POLICIES (*contd.*)

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 period.

11. GOVERNMENT GRANTS

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

12. INCOME

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

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

13. 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.

14. 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.

15. 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.

16. 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.

17. PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statements relate to WPIL Limited (the Company), its Subsidiaries and Joint Ventures (the

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (contd.)

SIGNIFICANT ACCOUNTING POLICIES (contd.)

groups). The Consolidated Financial Statements are in conformity with Accounting Standard 21 on “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:

- a) 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.
- b) 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.
- c) The difference between the cost of investments in the Subsidiaries, over its portion of equity at the time of acquisition of shares is recognized in the Consolidated Financial Statements as Goodwill or Capital Reserve, as the case may be.
- d) The translation of the functional currencies into Indian Rupees (reporting currency) is performed for equity in the foreign subsidiaries, assets and liabilities using the closing exchange rate at the Balance Sheet date, and for revenues, costs and expenses using average exchange rates prevailing during the period. The resultant exchange difference arising out of such transactions is recognized as part of equity (Foreign Currency Translation Reserve Account) by the Company until the disposal of investment.
- e) 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.

2 SHARE CAPITAL

(a) Authorised

98,60,000 Ordinary Shares of Rs.10/- each	9,86,00,000
14,000 11% Redeemable Cumulative Preference Shares of Rs.100/- each	14,00,000

10,00,00,000

(b) Issued, Subscribed and Paid Up

79,67,080 Ordinary Shares of Rs. 10/- each fully paid up	7,96,70,800
--	-------------

7,96,70,800

31st March, 2012	
Rs.	Rs.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH, 2012 (contd.)

		31st March, 2012	
		Rs.	Rs.
5	DEFERRED TAX LIABILITIES (Net)		
a)	Deferred Tax Liabilities :		
	– Depreciation on Fixed Assets		3,15,10,242
b)	Deferred Tax Assets :		
	– Employees Benefits	40,85,219	
	– Others	2,02,942	42,88,161
	Share of Joint Ventures		(3,32,907)
			<u>2,68,89,174</u>
		31st March, 2012	
		Rs.	
6	OTHER LONG TERM LIABILITIES		
	Government grants		3,24,540
			<u>3,24,540</u>
		31st March, 2012	
		Rs.	
7	LONG TERM PROVISIONS		
	– Leave Encashment		62,95,586
			<u>62,95,586</u>
		31st March, 2012	
		Rs.	
8	SHORT TERM BORROWINGS LOANS REPAYABLE ON DEMAND		
(a)	Secured		
	Cash Credit from Banks		35,92,75,723
			<u>35,92,75,723</u>
(b)	Unsecured		
	Short Term Loans from :		
	– Bank		9,73,21,970
	– Others		19,07,82,166
			<u>28,81,04,136</u>
	Total		<u>64,73,79,859</u>

WPIL

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (contd.)

		31st March, 2012	
		Rs.	
9	TRADE PAYABLES		
	a) Acceptances		12,29,39,201
	b) Sundry Creditors		76,26,14,585
	Share of Joint Ventures		1,85,74,419
			<u>90,41,28,205</u>
		31st March, 2012	
		Rs.	Rs.
10	OTHER CURRENT LIABILITIES		
	a) Current Maturities of Vehicle Loans (Refer note 4)		14,35,752
	b) Advance from Customers		19,34,33,564
	c) Interest accrued but not due on loans		49,68,287
	d) Unclaimed Dividends		5,40,401
	e) Other Payables		
	– Statutory Liabilities	3,18,22,898	
	– Deposits	11,06,000	
	– Others	<u>6,64,69,356</u>	9,93,98,254
	Share of Joint Ventures		38,20,832
			<u>30,35,97,090</u>
		31st March, 2012	
		Rs.	
11	SHORT TERM PROVISIONS		
	a) For Proposed Dividend		1,59,34,160
	b) For Tax on Proposed Dividend		25,84,919
	c) For Leave Encashment		8,74,172
	d) For Warranties		1,01,86,108
	Share of Joint Ventures		78,97,695
			<u>3,74,77,054</u>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (contd.)

12 FIXED ASSETS

	GROSS BLOCK		DEPRECIATION		NET BLOCK					
	On Consolidation	Additions during the year	Disposals/ Adjustments during the year	As at 31st March, 2012	On Consolidation	For the year	Deductions/ Adjustments during the year	Foreign Exchange Translation reserve	Upto 31st March, 2012	As at 31st March, 2011
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
TANGIBLE ASSETS										
Land : Freehold Leasehold	42,33,840	10,19,822	—	52,53,662	—	—	—	—	—	52,53,662
Buildings	61,23,429	—	—	61,23,429	19,44,002	78,108	—	—	20,22,110	41,01,319
Plant and Machinery	41,57,08,113	2,04,81,421	—	43,61,89,534	3,42,68,338	46,83,548	—	91,979	3,90,43,865	39,71,45,669
Factory Equipment	66,02,15,625	4,27,13,869	(5,88,45,247)	64,40,84,247	40,60,74,890	2,13,09,779	(5,88,45,247)	6,51,334	36,91,90,756	27,48,93,491
Patterns and Moulds	1,12,79,140	27,28,115	—	1,40,07,255	90,68,275	63,930	—	—	91,32,205	48,75,050
Electrical Installation	5,25,63,401	15,21,000	—	5,40,84,401	4,09,81,134	22,90,013	—	—	4,32,71,147	1,08,13,254
Furniture and Fittings	1,75,29,680	20,80,711	—	1,96,10,391	48,45,042	7,80,118	—	—	56,25,160	1,39,85,231
Office Equipment	5,62,61,197	1,00,22,772	—	6,62,83,969	3,47,20,701	35,72,620	—	95,785	3,83,89,106	2,78,94,863
Computers	8,23,366	42,036	(7,060)	8,58,342	5,45,961	39,619	(3,101)	—	5,82,479	2,75,863
Owned	3,84,484	—	9,10,698	2,06,563	2,36,176	—	—	4,42,739	4,67,959	—
Finance lease	26,12,261	—	—	26,12,261	13,58,043	8,73,052	—	—	22,31,095	3,81,166
Motor Vehicles	61,60,843	33,78,580	(12,36,764)	83,02,659	16,87,450	4,23,146	(5,03,990)	—	16,06,606	66,96,053
Total Tangible Assets	123,40,37,109	8,43,72,810	(6,00,89,071)	125,83,20,848	53,57,00,399	3,43,50,109	(5,93,52,338)	8,39,098	51,15,37,268	74,67,83,580
INTANGIBLE ASSETS										
Goodwill	(5,57,50,065)	—	—	(5,57,50,065)	(1,85,83,301)	(1,01,73,227)	(2,47,06,562)	(22,86,975)	(5,57,50,065)	—
Software	26,26,629	—	10,11,698	16,14,931	13,71,496	5,94,310	(5,08,557)	—	14,57,249	1,57,682
—Owned	9,87,200	—	—	9,87,200	3,02,810	3,29,935	—	—	6,32,745	3,54,455
—Lease	87,379	—	—	87,379	—	—	—	—	—	87,379
Formation Expenses	—	—	—	—	—	—	—	—	—	—
Total Intangible Assets	(5,20,48,857)	—	10,11,698	(5,30,60,555)	(1,69,08,995)	(92,48,982)	(2,41,98,005)	(22,86,975)	(5,36,60,071)	5,99,516
Capital Work-in-Progress	—	6,238	—	6,238	—	—	—	—	—	6,238
Grand Total	118,19,88,252	8,43,79,048	6,11,00,769	120,52,66,531	51,87,91,404	2,51,01,127	3,51,54,333	(14,47,877)	45,78,77,197	74,73,89,334

WPIL

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (contd.)

				31st March, 2012	
				Rs.	Rs.
13 NON - CURRENT INVESTMENTS - Long Term (at cost)					
Unquoted					
Other Investments					
Nos.	Currency	Face Value	Description		
—	INR		Government Securities 7 Year Post Office National Savings Certificate Less : Provisions made	23,000 <u>23,000</u>	 <u>—</u>
1	INR	7000	(5% Non-Redeemable Debenture Stock) Woodland Hospital & Medical Research Centre Limited		7,000
9	INR	1000	(6 1/2% Non-Redeemable Debenture Stock) Bengal Chamber of Commerce and Industry		9,000
					<u>16,000</u>
14 LONG TERM LOANS AND ADVANCES - UNSECURED					
(Considered good)					
Security Deposits :					
– Earnest Money Deposit				95,45,106	
– Others				<u>7,82,046</u>	1,03,27,152
Other Advances					4,12,50,000
Share of Joint Ventures					10,18,945
					<u>5,25,96,097</u>
15 INVENTORIES (at lower of cost or net realisable value)					
a) Raw Materials and Components					32,90,02,863
b) Work-in-Progress					15,95,65,679
c) Finished Goods					1,16,82,556
d) Stores and Spare Parts					95,32,407
Share of Joint Ventures					46,00,759
					<u>51,43,84,264</u>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH, 2012 (contd.)

		31st March, 2012	
		Rs.	Rs.
16 Trade Receivables - Unsecured (Considered good)			
a) Debts outstanding for a period exceeding six months			2,147,12,779
b) Other Debts			166,51,72,519
Share of Joint Ventures			2,75,15,284
			190,74,00,582
		31st March, 2012	
		Rs.	Rs.
17 CASH AND CASH EQUIVALENTS			
a) Balance with Banks :			
– On Current Account			4,22,61,425
b) Cash - in - hand			40,56,002
c) Other Bank balances			
– On Unclaimed Dividend Account			5,40,401
– On Bank Deposits with less than 12 months maturity			1,50,07,020
Share of Joint Ventures			1,78,32,847
			7,96,97,695
		31st March, 2012	
		Rs.	Rs.
18 SHORT TERM LOANS AND ADVANCES - UNSECURED			
(Considered good)			
a) Others :			
– Balance with Central Excise authority		6,51,37,659	
– Balance with Sales tax authorities		1,91,15,011	
– Balance with Customs authority		3,27,692	
– Others		4,27,66,501	12,73,46,863
b) Advance payment of Income - Tax (Net of Provision for Income Tax - Rs. 927 lacs.)			52,51,477
Share of Joint Ventures			76,00,335
			14,01,98,675
		31st March, 2012	
		Rs.	Rs.
19 OTHER CURRENT ASSETS			
– Interest Receivables			16,18,570
– Others			1,20,09,767
Share of Joint Ventures			1,04,260
			1,37,32,597

20 REVENUE FROM OPERATIONS

		Year ended 31st March, 2012	
		Rs.	Rs.
a)	Sale of Products		
	– Pumps	91,16,75,953	
	– Spare Part of Pumps	44,10,44,663	
	– Grey Iron Castings	48,85,81,042	
	– Accessories of Pumps	162,61,20,792	
	– Others	7,12,94,276	
		<u>353,87,16,726</u>	
b)	Sale of Services		7,18,44,110
c)	Other Operating Revenues :		
	– Duty Drawback		4,86,011
	Share of Joint Ventures		<u>13,24,84,883</u>
			<u>374,35,31,730</u>

21 OTHER INCOME

		Year ended 31st March, 2012	
		Rs.	Rs.
a)	Interest Income (Gross)		35,52,634
b)	Net Gain/(loss) on Foreign currency translation and transaction		71,81,568
c)	Claims and Compensations received		22,98,580
d)	Rent Income		15,96,000
e)	Sundry Income		13,63,026
f)	Liability no longer required, written back		72,48,855
g)	Negative Goodwill, written back		2,47,06,562
h)	Government Grant amortised		93,449
	Share of Joint Ventures		<u>27,34,685</u>
			<u>5,07,75,359</u>

22 COST OF RAW MATERIALS AND COMPONENTS CONSUMED

		Year ended 31st March, 2012	
		Rs.	Rs.
	Pig iron/Ferrous Scrap		3,24,56,767
	Cables & Winding wires		93,33,267
	Pipes & Tubes		4,43,24,847
	Steel Shafting		9,51,80,487
	Bronze & other metal ingots		3,08,75,929
	Motors, Engines & Starters		35,75,73,775
	Valves		7,30,56,508
	C.I.Castings		4,94,61,280
	M.S.Sheets		22,35,40,611
	Steel/Alloy Steel Castings		35,34,16,531
	Spare & others		103,63,32,503
	Share of Joint Ventures		<u>5,81,92,986</u>
			<u>236,37,45,491</u>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (contd.)

	Year ended 31st March, 2012	
	Rs.	Rs.
23 CHANGE IN INVENTORIES OF FINISHED GOODS & WORK IN PROGRESS		
Opening Stock :		
– Work-in-Progress	10,53,95,813	
– Finished Goods	2,16,89,308	12,70,85,121
Closing Stock :		
– Work-in-Progress	15,95,65,679	
– Finished Goods	1,16,82,556	17,12,48,235
Share of Joint Ventures		(34,19,420)
		<u>(4,75,82,534)</u>

	Year ended 31st March, 2012	
	Rs.	Rs.
24 EMPLOYEE BENEFIT EXPENSES		
a) Salaries and Wages		30,13,67,985
b) Contribution to Provident and Other Funds		1,63,73,057
c) Contribution to Employees State Insurance Scheme		24,28,934
d) Staff Welfare Expense		1,63,63,794
Share of Joint Ventures		2,38,40,310
		<u>36,03,74,080</u>

	Year ended 31st March, 2012	
	Rs.	Rs.
25 FINANCE COST		
a) Interest Expense		9,23,78,716
b) Other Finance costs		3,19,92,644
c) Applicable (Gain)/Loss on Foreign currency translation and transactions		1,82,76,487
Share of Joint Ventures		4,53,123
		<u>14,31,00,970</u>

	Year ended 31st March, 2012	
	Rs.	Rs.
26 OTHER EXPENSES		
Consumption of Stores and Spare Parts		5,38,45,053
Excise Duty		9,50,777
Power and Fuel		6,06,68,323
Erection Expenses		8,89,27,563
Rent		1,45,51,442
Rates & Taxes		1,73,96,112
Postage & Telephone		63,42,111
Repairs to Machinery		1,78,42,631
Repairs to Buildings		50,24,955
Repairs to others		60,90,131
Insurance		1,71,97,765
Travelling Expenses		3,16,84,526
Loss on Commodity transactions (net)		15,63,853
Loss on Sale of Fixed Assets		2,88,542
Professional & Consultancy Fees		5,16,18,971
Carriage Outward		75,04,303
Advertisement		7,96,709
Claims & Compensations etc. paid		2,72,36,486
Bad Debts written off		12,14,266
Dealer Discount		1,53,88,873
Commission to other selling agents		3,86,19,250
Service Charges		66,47,861
Directors' Fees		72,000
Commission to Directors		4,00,000
Auditors' Remuneration		
– As Audit Fees	5,60,000	
– For Other Services	2,60,000	
– For Reimbursement of Expenses	35,000	
Miscellaneous Expenses	5,60,000	8,55,000
Share of Joint Ventures		2,69,89,275
		55,40,60,438

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (contd.)

27 OTHER INFORMATION

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

Sl.	Name of the Company	Country of Incorporation	% of Holding either directly/ indirectly or through subsidiary	Reporting period
As at 31st March, 2012				
A)	SUBSIDIARIES			
i)	WPIL International Pte Limited	Singapore	51	12 months ended 31st March
ii)	Mathers Foundry Limited ended 31st March	United Kingdom	51	7 months ended 31st March
iii)	Sterling Pumps Pty Limited ended 31st March	Australia	51	9 months ended 31st March
B)	JOINT VENTURES			
i)	Clyde Pump India Private Limited	India	40	12 months ended 31st March
ii)	WPIL (Thailand) Co. Limited	Thailand	25	9 months ended 31st December

31st March, 2012

- b) Estimated amount of contracts remaining unexecuted on Capital Account and not provided for (net of Advances Rs Nil)
- c) Claims against the Company not acknowledged as debts
- d) Contingent liabilities not provided for in the Financial Statements in respect of the following :
- Sales Tax matters under dispute
 - Excise Duty matters under dispute
 - Bank Guarantee outstanding
 - Corporate Guarantee outstanding

Rs.
15,83,740
50,28,703
2,20,69,902
1,92,752
45,78,61,540
63,25,00,000

- The Assets of a subsidiary, Mathers Foundry Limited have been given as security to a bank in Singapore which provided finance to its holding company (WPIL International Pte Limited), in respect of the acquisition of the Company. The Company has also received working capital finance from the same bank.
- 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, 2012 amounts to Rs. 2,19,47,713/-. A total sum of Rs. 4,79,06,560/- (including Rs 35,00,000/- during the current year) has been charged in the Financial Statements and paid to LICICI by way of premium under Group Gratuity Scheme for its employees to cover current as well as past liability.
- f) Research and Development Expenses
- Research and Development Expenses relating to revenue nature aggregating to Rs. 66.97 lacs have been charged to respective heads of accounts in the Statement of Profit and Loss and relating to capital nature aggregating to Rs Nil have been debited to different heads in Fixed Assets in the Balance Sheet.

WPIL

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (contd.)

- 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. 72,50,892/- has been adjusted against the earlier provisions and Rs. 89,25,000/- have been provided.

- h) Earnings Per Share

Net Profit after Tax (Rs.)	22,38,03,122
Face Value per Share (Rs.)	10
Weighted Average Number of Shares	79,67,080
Basic and Diluted Earnings Per Share (Rs.)	28.09

31st March, 2012

- i) Related Party Transactions :

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

A) List of Related Parties

- i) Key Management Personnel and their relatives
- Mr. P. Agarwal : Managing Director
 - Mr. V.N. Agarwal : Director, Father of Mr. P. Agarwal
 - Mr. K.K. Ganeriwala : Executive Director
 - Mr. Anton Richard Merry : Whole-time Director of Sterling Pump Pty Ltd.
- ii) Companies over which key management personnel or relatives are able to exercise control/significant influence
- Bengal Steel Industries Limited (Bengal Steel)
 - Hindustan Udyog Limited (HUL)

B) Disclosure of Transactions/Balances 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	
Sale of Products	—	85,75,282	—
Purchase of Goods	—	26,03,79,048	—
Dividend Paid	—	—	392,884
Rent Paid	48,00,000	30,80,000	—
Amenities Paid	—	13,72,366	—
Electricity Charges Paid	23,52,649	—	—
Remuneration, Commission and Sitting Fees			
– Mr. P. Agarwal	—	—	4,215,222
– Mr. K. K. Ganeriwala	—	—	2,928,896
– Mr. V. N. Agarwal	—	—	112,000
As at 31st March			
Trade Receivable	—	43,94,860	—
Trade Payable	—	10,88,50,640	—

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2012 (contd.)**

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

	Year ended 31.03. 2012	
	Gratuity	Leave Encashment
A) Components of Employer Expenses :-		
1. Current Service Cost	16.21	1.86
2. Interest Cost	18.28	5.62
3. Expected Return on Plan Assets	(0.65)	—
4. Actuarial (Gain)/Loss	(0.81)	7.90
5 Past Service Cost	—	—
6. Expenses recognized in the Statement of Profit and Loss	33.03	15.38
B) Net Assets/(Liability) recognised in the Balance Sheet as at 31st March:		
1. Present value of obligation as at 31st March	219.48	71.70
2. Fair value of Plan Assets as at 31st March	(12.50)	—
3. (Assets)/Liability recognized in the Balance Sheet	206.98	71.70
C) Change in the Defined Benefit Obligation (DBO) during the year ended 31st March:		
1. Present value of obligation at the beginning of the year	215.05	66.13
2. Current Service Cost	16.21	1.86
3. Interest Cost	18.28	5.62
4. Past Service Cost	—	—
5. Actuarial (Gain)/Loss	0.35	7.90
6. Benefits paid	(30.41)	(9.81)
7. Present value of obligation at the end of the year	219.48	71.70
D) Change in the Fair Value of Plan Assets :-		
1. Plan Assets at the beginning of the year	7.62	—
2. Actual return on Plan Assets	1.81	—
3. Actual Company's contribution	33.48	9.81
4. Benefits paid	(30.41)	(9.81)
5. Fair value of Plan Assets at the end of the year	12.50	—
E) Actuarial assumptions :-		
1. Discount rate (p.a)	0.09	0.08
2. Expected rate of return (p.a)	0.09	N.A
3. Salary escalation (p.a)	0.05	0.05
F) Experience adjustment on account of actuarial assumption of Gratuity :	2011-12	
1. Defined Benefit Obligation as at 31st March	219.48	
2. Plan Asset as at 31st March	12.50	
3. Surplus/(Deficit)	(206.98)	
4. Experience adjustment on Plan Assets	1.16	
5. Experience adjustment on Plan Liabilities	3.45	

WPIL

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (contd.)

k) Lease Commitments

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

l) 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 is 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."

	31st March, 2012 Rs.
Segment Revenue	
– India	285,91,88,864
– Outside India	82,34,21,489
Total	<u>368,26,10,353</u>
Segment Results (Profit before Tax)	
– India	106,56,33,580
– Outside India	30,08,13,816
Less:	
– Other unallocated expenditure net of unallocated income	103,04,51,645
Profit before Taxation and Minority Interest	<u>33,59,95,751</u>
Less: Taxation Charge	
Current Tax	10,13,46,881
Deferred Tax	52,15,520
Less: Minority Interests	56,30,228
Profit after Taxation and Minority Interest	<u>22,38,03,122</u>
Segment Assets	
– India	191,32,83,902
– Outside India	74,29,49,515
– Unallocable	60,78,14,556
	<u>326,40,47,973</u>
Segment Liabilities	
– India	72,15,53,511
– Outside India	18,25,74,694
– Unallocable	19,34,33,564
	<u>109,75,61,769</u>
The Group does not have any Secondary Segment	

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2012 (contd.)**

m) Value of Raw Materials and Components consumed are as follows :

		Year ended 31.03.2012	
		Percentage	Value Rs.
(i)	Indigenous	96%	197,61,17,349
(ii)	Imported	4%	8,04,47,065
		<hr/>	<hr/>
		100%	205,65,64,414
		<hr/>	<hr/>
n)	Value Stores and Spare Parts Consumed (100% indigenous)	100%	5,11,22,592
		<hr/>	<hr/>
		Year ended 31.03.2012	
		Rs.	
		<hr/>	
o)	Expenditure in Foreign Currency in connection with		
(i)	Foreign Business Tour		43,70,764
(ii)	Professional Fees		52,23,201
(iii)	Others		2,84,01,790
			<hr/>
			3,79,95,755
			<hr/>
p)	Earning in Foreign Exchange in respect of :		
(i)	F. O. B value of Exports		26,52,65,535
(ii)	Interest income		13,66,190
(iii)	Others		17,04,210
			<hr/>
			26,83,35,935
			<hr/>
q)	C.I.F. Value of Imports :		
(i)	Raw Materials		7,45,79,023
(ii)	Machinery		97,11,535
			<hr/>
			8,42,90,558
			<hr/>
r)	Dividend remitted to Non-resident Shareholders in Foreign Currency :		
(i)	Number of Non – resident shareholders		15
(ii)	Number of Shares held by Non – resident shareholders		2,933
(iii)	Amount remitted for the year (Rs.)		5,866
(iv)	Financial year to which Dividend relates		2010 - 11

WPIL

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (contd.)

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

Name of the subsidiary company	WPIL International Pte Limited *	Sterling Pumps Pty Limited #	Mathers Foundry Ltd ^
Currency	USD	AUD	GBP
Paid up capital	12,74,20,508	794	4,07,10,000
Reserve & Surplus	(1,74,72,812)	1,77,96,314	26,47,59,928
Total Assets	62,58,75,180	7,54,07,031	92,78,45,710
Total Liabilities	62,58,75,180	7,54,07,031	92,78,45,710
Turnover	—	8,27,29,714	50,76,30,064
Profit/(Loss) before tax	(1,73,37,309)	2,34,91,859	65,23,955
Tax provision	—	—	—
Profit/Loss after Tax	(1,73,37,309)	2,34,91,859	65,23,955

* Converted into Indian Rupees at Exchange Rate, 1USD= Rs. 50.86 as on 30.03.2012

Converted into Indian Rupees at Exchange Rate, 1AUD= Rs. 52.93 as on 30.03.2012

^ Converted into Indian Rupees at Exchange Rate, 1GBP= Rs. 81.42 as on 30.03.2012

- t) Comparative figures of previous year are not given as this is the first year of consolidation of financial statements

Signature to Notes 1 to 27.

For V. Singhi & Associates
Chartered Accountants
Registration no. 311017E

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

Place : Kolkata
Date : June 23, 2012

PRAKASH AGARWAL
K.K. GANERIWALA
U. CHAKRAVARTY

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

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH, 2012**

	Year ended 31st March, 2012	
	Rs.	Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Extraordinary Items		33,59,95,751
Adjustment for:		
(Profit)/Loss on sale of Fixed Assets	2,88,542	
Unrealised Exchange (Gain)/Loss (net)	69,15,564	
Impact of Foreign Exchange Translation (Net)	5,56,415	
Depreciation	2,36,91,516	
Interest income	(35,52,634)	
Liabilities no longer required written back	(72,48,855)	
Negative Goodwill written back	(2,47,06,562)	
Government Grant amortised	(93,449)	
Bad debts/Advances/Claims written off	17,22,395	
Interest charge	9,23,78,716	8,99,51,648
Operating Profit before Working Capital Changes		42,59,47,399
Adjustment for:		
Trade and other receivables	(48,03,96,603)	
Inventories	(15,16,73,324)	
Trade payables	16,95,28,785	(46,25,41,142)
Cash Generated from Operations		(3,65,93,743)
Tax paid		(10,40,27,168)
Net Cash from Operating Activities		(14,06,20,911)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(7,27,42,988)	
Sale of Fixed Assets	24,01,071	
Purchase of Investment in Subsidiaries	(22,58,72,875)	
Loan Given	(10,18,945)	
Interest Received	19,64,953	
Net Cash used in Investing Activities		(29,52,68,784)

