WALCHANDNAGAR INDUSTRIES LIMITED
Website: www.walchand.com Email: wil@walchand.com

Ref. No. : WIL:SEC:2017
Date : August 14, 2017

National Stock Exchange of India Ltd
Corporate Action Department
Exchange Plaza, 5th floor,
Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051
Fax :26598237/38, 66418126/25/24

BSE Ltd.,
Corporate Relations Department
1st floor, New Trading Ring,
Rotunda Bldg P.J. Tower,
Mumbai 400 001
Fax:: 22723121/2039/2037

Dear Sirs,

Sub: Submission of 108th Annual Report for the Financial Year 2016-17.
Ref.: Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Please find enclosed herewith Annual Report of the Company approved and adopted in the 108th Annual General Meeting of the Company held on August 09, 2017 as per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Please take the same on your record.

Yours faithfully,

For **Walchandnagar Industries Ltd.**

WALCHANDNAGAR INDUSTRIES LTD. MUMBAI

G. S. Agrawal
Vice President (Legal & Taxation) & Company Secretary

Encl.: As above

108th ANNUAL REPORT
2016 - 2017

100 1908-2008

WILL

WALCHANDNAGAR

A Tradition of Engineering Excellence

WALCHANDNAGAR INDUSTRIES LIMITED

SETH WALCHAND HIRACHAND

Seth Walchand Hirachand's life was truly a triumph of persistence over adversity.

Sardar Vallabhbhai Patel

Board of Directors

Chakor L. Doshi
Chairman

Dilip J. Thakkar
Director

Dr. Anil Kakodkar
Director

G. N. Bajpai
Director

A. R. Gandhi
Director

Bhavna Doshi
Director

G. K. Pillai
Managing Director & CEO

Chirag C. Doshi
Managing Director

Corporate Information

Registered Office

Walchandnagar Industries Ltd.
3, Walchand Terraces,
Tardeo Road,
Mumbai - 400 034
Tel. No. (022) 4028 7104 / 4028 7110 / 2369 2295

Pune Office

Walchand House,
15/1/B-2 G.A. Kulkarni Path
Opp. Karishma Society Gate No. 2,
Kothrud,
Pune – 411 038, Maharashtra, India.
Phone : (020) 3025 2400
E-mail : investors@walchand.com

Factories

Walchandnagar, Dist. Pune, Maharashtra
Satara Road, Dist. Satara, Maharashtra
Attikola, Dharwad, Karnataka.

Compliance Officer

G. S. Agrawal
Vice President (Legal & Taxation) and Company Secretary

Registrar & Share Transfer Agents

M/s. Link Intime India Pvt. Ltd.
C 101, 247 Park, L B S Marg,
Vikhroli (West), Mumbai 400 083.
Ph. No.: (022) 49186270
Fax No.: (022) 49186060

Auditors

K.S. Aiyar & Co.
Chartered Accountants

Principal Bankers

State Bank of India
Bank of India

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Letter from the Chairman

Dear Members,

It is my pleasure to welcome you all to the 108th Annual General Meeting and present the Annual Report of your company. The year under consideration covers the period April 16 to Mar 17.

The year gone by has no doubt been a challenging one in terms of overall business but as an organization we have moved towards our stated objective of increased share of business coming out of strategic sectors like Defence, Nuclear and Aerospace (DNA). While the actual effects of various government policies announced over the last 3 years (Make in India, Defence Production Indigenization, Thrust on building indigenous Nuclear Power Plants, Higher FDI in Defence, Reforms in Defence Procurement Procedures, etc) may not be fully visible, we firmly believe that these are steps in the right direction and WIL would surely benefit from the same going ahead.

Your Company has ended the Financial Year 16-17 with revenues of INR 401.28 Crore and notwithstanding the net loss the much improved performance of our DNA business especially over the last 3 quarters gives us confidence about the company's potential in such important business areas. Another encouraging sign is that the share of these strategic businesses in the order book as on 31st March 17 is now over 50%. Also with a healthier pipeline of orders likely to fructify as FY 17-18 goes by, we expect a significant improvement on the performance front.

Another focus area is to significantly ramp up the product business i.e. Gear Boxes and Centrifugal Machines. Results towards this strategic objective are clearly visible. At the beginning of FY 17-18 the Centrifugal Machines orders stand at an all-time high. We have already put in place a mechanism to improve our exports penetration in this area. We have also been awarded a prestigious order by Goa Shipyard to manufacture gearboxes for the offshore patrol vessels of the Coast Guard. This order was won by us in the face of very stiff international competition. We are confident that like many of our other achievements this would also stand out as a sterling example of "Make in India".

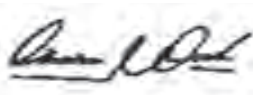
As far as our traditional businesses of Sugar Plant Equipment, Co-generation boilers and Cement Plant Equipment are concerned, we plan to take a selective approach keeping in mind the profitability of such projects as well as the customer profile.

The Company has seriously rationalized in various cost areas without in any way compromising on quality and delivery. We are quite confident that going ahead this would enhance our overall performance.

Conducive business environment coupled with emphasis on DNA business and organizational alignment gives your company the confidence to deliver much improved results in the years going ahead.

I take this opportunity to place on record my sincere thanks for your continued support and expect similar confidence from the shareholding fraternity in the years to come.

Thank You,



Chakor L. Doshi

Chairman

WALCHANDNAGAR

NOTICE

Notice is hereby given that the 108th Annual General Meeting of the members of Walchandnagar Industries Limited will be held as scheduled below:

Day : Wednesday

Date : August 09, 2017

Time : 4.00 pm

Place : Walchand Hirachand Hall,
Indian Merchants' Chambers Building,
Churchgate, Mumbai - 400 020.

The Agenda for the meeting will be as under:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company as at March 31, 2017 together with the Reports of Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Chakor L. Doshi (DIN: 00210949) Director, who retires by rotation at 108th Annual General Meeting and, being eligible, offers himself for re-appointment.

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

   "**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Company's (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) M/s. Jayesh Sanghrajka & Co. LLP, Chartered Accountants, Mumbai (Registration No. FRN 104184W/ W100075), who have offered themselves for appointment and have confirmed their eligibility to be appointed as Statutory Auditors, in terms of the provisions of Section 141 of the Companies Act, 2013 and the Rules, be and are hereby appointed as the Statutory Auditors of the Company for a term of five years commencing from the conclusion of 108th Annual General Meeting (AGM) until the conclusion of the 113th Annual General Meeting (subject to ratification of their appointment by the Members at every intervening AGM held after this AGM) on such remuneration plus service tax, out of pocket expenses etc. as may be fixed by the Board of Directors of the Company."

Special Business:

4. To appoint Mr. Dilip J. Thakkar (DIN: 00007339), as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the provisions of Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, including any modification or amendment thereof, Mr. Dilip J. Thakkar (DIN: 00007339), an Independent Director of the Company, in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting to be held in the year 2022, not liable to retire by rotation."

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

   "RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) the Company hereby ratifies and confirms the remuneration of ₹ 3,00,000 (Rupees Three Lacs Only) plus service tax as applicable and reimbursement of actual travel and out-of-pocket expenses to M/s. S. R. Bhargave & Co., Cost Accountant, Pune (Regn. No. 000218) the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the Financial Year ending March 2018.

   RESOLVED FURTHER THAT Mr. G. S. Agrawal, Vice President (Legal & Taxation) & Company Secretary be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

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

   "**RESOLVED THAT** in supersession of the earlier Resolution and subject to the approval of the Central Government, if required and pursuant to the provisions of Sections 196, 197 of the Companies Act, 2013, read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, (including any amendment, modification, variation or re-enactment thereof), the consent of the shareholders of the Company be and is hereby accorded to the appointment of Mr. G. K. Pillai, Managing Director & Chief Executive Officer of the Company for a period of three years w.e.f. April 01, 2017, on the terms and conditions including remuneration as hereinafter appearing below and the same as specified in the agreement to be entered between the Company and Mr. G. K. Pillai.

   REMUNERATION :

   SALARY : ₹ 4,00,000/- per month.

   (In the grade of ₹ 4,00,000/- to ₹ 8,00,000/- per month.)

The Nomination and Remuneration Committee of the Board of Directors has been authorised to sanction annual increment within above grade.

COMMISSION :

Mr. G. K. Pillai would be entitled to a Commission of 1% (One Percent) of the net profits of the Company computed in accordance with Section 198 of the Companies Act, 2013.

SPECIAL ALLOWANCE :

Special Allowance of ₹ 2,92,000/- per month.

PERQUISITES :

In addition to Salary and Commission, Mr. G. K. Pillai would be entitled to the following perquisites :

HOUSING / RENT FREE ACCOMODATION:

House Rent Allowance / Rent Free Accommodation (including Water and Electricity Charges) not exceeding ₹ 70,000/- per month.

LEAVE TRAVEL CONCESSION / ALLOWANCE:

Leave Travel Concession / Allowance for self and family once in a year subject to the ceiling of one month's salary per annum.

"Family" means 'spouse, dependent children and parents.'

LEAVE:

Leave, Leave accumulation and encashment as per Rules of the Company.

MEDICAL ALLOWANCE / REIMBURSEMENT :

Medical Allowance / Reimbursement of expenses incurred by the Managing Director and Chief Executive Officer for Self and his family (spouse, dependent children and parents) subject to the ceiling of one month's salary in a year or 3 months' salary over a period of 3 years.

FREE USE OF CAR:

The Company shall provide one car with driver or reimburse the Driver's Salary, for the Company's business which will not be considered as a perquisite.

GAS, PERSONAL ACCIDENT INSURANCE, FURNISHING, ETC.:

The Company shall reimburse expenses or pay allowance for utilization of Gas, Furnishing, Repairs, Personal Accident Insurance Premium, Membership of Professional Bodies and such other perquisites and/or allowances with overall ceiling of one month's average salary per year. The said perquisites and allowances shall be calculated wherever applicable as per Income Tax Act, 1961 and any rules there under. In the absence of any Rules, such perquisites shall be considered at actual cost.

COMMUNICATION FACILITIES:

The Company shall provide free of charge communication facilities such as telephone, mobile, internet etc. the expenditure on which shall not be considered as a perquisite.

MINIMUM REMUNERATION:

The remuneration specified above shall continue to be paid to Mr. G. K. Pillai as and by way of Minimum Remuneration as per the provisions of Schedule V of the Companies Act, 2013 in case of loss or inadequacy of profit during the relevant period of tenure of his office.

RESOLVED FURTHER THAT Mr. G. K. Pillai shall not be subject to retirement by rotation during his tenure as Managing Director and Chief Executive Officer in terms of Article 148 of Articles of Association of the Company.

RESOLVED FURTHER THAT on recommendation of the Nomination & Remuneration Committee, the Board of Directors be and are hereby authorized to alter and / or vary the terms and conditions of the appointment including remuneration payable to him from time to time, provided however that the remuneration payable shall not exceed the limits specified in Schedule V of the Companies Act, 2013 as existing or as amended, modified or re-enacted from time to time.

RESOLVED FURTHER THAT Mr. G. S. Agrawal, Vice President (Legal & Taxation) & Company Secretary be and is hereby authorized to do all such things as may be required to give effect to the above Resolution."

7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"**RESOLVED THAT** in supersession of the earlier Resolution and subject to the approval of the Central Government, if required and pursuant to the provisions of Sections 196, 197 of the Companies Act, 2013, read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (including any amendment, modification, variation or re-enactment thereof), the consent of the shareholders of the Company be and is hereby accorded to the appointment of Mr. Chirag C. Doshi, Managing Director of the Company for a period of three years w.e.f. April 01, 2017, on the terms and conditions including remuneration as hereinafter appearing below and the same as specified in the agreement to be entered between the Company and Mr. Chirag C. Doshi.

REMUNERATION :

SALARY : ₹ 4,00,000/- per month.

(In the grade of ₹ 4,00,000/- to ₹ 8,00,000/- per month.)

The Nomination & Remuneration Committee of the Board has been authorised to sanction annual increment within above grade.

COMMISSION :

Mr. Chirag C. Doshi would be entitled to a Commission of 1% (One Percent) of the net profits of the Company computed in accordance with Section 198 of the Companies Act, 2013.

SPECIAL ALLOWANCE :

Special Allowance of ₹ 1,65,000/- per month.

PERQUISITES :

In addition to Salary and Commission, Mr. Chirag C. Doshi would be entitled to the following perquisites:

HOUSING / RENT FREE ACCOMODATION:

House Rent Allowance / Rent Free Accommodation ₹ 70,000/- per month.

LEAVE TRAVEL CONCESSION / ALLOWANCE:

Leave Travel Concession / Allowance for self and family once in a year subject to the ceiling of one month's salary per annum.

"Family" means 'spouse, dependent children and parents.'

LEAVE:

Leave, Leave accumulation and encashment as per Rules of the Company.

MEDICAL ALLOWANCE / REIMBURSEMENT:

Medical Allowance / Reimbursement of expenses incurred by the Managing Director for Self and his family (spouse, dependent children and parents) subject to the ceiling of one month's salary in a year or 3 months' salary over a period of 3 years.

CONTRIBUTION TO PROVIDENT FUND AND SUPERANNUATION BENEFIT:

Contribution to Provident Fund and the Superannuation benefit by purchase of Annuity or otherwise shall be as prescribed under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and Income-tax Act, 1961 to the extent that these either singly or put together are not taxable under the Income-tax Act, 1961.

GRATUITY:

Half month's salary for each completed year of service.

FREE USE OF CAR:

The Company shall provide one car with driver or reimburse the Driver's Salary, for the Company's business which will not be considered as a perquisite.

GAS, ELECTRICITY, PERSONAL ACCIDENT INSURANCE, ETC.:

The Company shall reimburse expenses or pay allowance for utilization of Gas, Electricity, Water Charges, Furnishing, Repairs, Personal Accident Insurance Premium, Club Fees, Membership of Professional Bodies and such other perquisites and/or allowances with overall ceiling of one month's average salary per year. The said perquisites and allowances shall be calculated wherever applicable as per Income Tax Act, 1961 and any rules there under. In the absence of any Rules, such perquisites shall be considered at actual cost.

COMMUNICATION FACILITIES:

The Company shall provide free of charge communication facilities such as telephone, mobile, internet etc. the expenditure on which shall not be considered as a perquisite.

MINIMUM REMUNERATION :

The remuneration specified above shall continue to be paid to Mr. Chirag C. Doshi as and by way of Minimum Remuneration as per the provisions of Schedule V of the Companies Act, 2013 in case of loss or inadequacy of profit during the relevant period of tenure of his office.

RESOLVED FURTHER THAT Mr. Chirag C. Doshi shall be subject to retirement by rotation during his tenure as Managing Director in terms of Article 148 of Articles of Association of the Company.

RESOLVED FURTHER THAT on recommendation of the Nomination & Remuneration Committee, the Board of Directors be and are hereby authorized to alter and / or vary the terms and conditions of the appointment including remuneration payable to him from time to time, provided however that the remuneration payable shall not exceed the limits specified in Schedule V of the Companies Act, 2013 as existing or as amended, modified or re-enacted from time to time.

RESOLVED FURTHER THAT Mr. G. S. Agrawal, Vice President (Legal & Taxation) & Company Secretary be and is hereby authorized to do all such things as may be required to give effect to the above Resolution."

By order of the Board

G. S. Agrawal
Vice President (Legal & Taxation) &
Company Secretary

Registered Office:

3, Walchand Terraces
Tardeo Road
Mumbai 400 034
Date: May 26, 2017
CIN: L74999MH1908PLC000291
Tel: 022 - 40287109 Fax: 022 - 23634527
E-mail: investors@walchand.com
Website: www.walchand.com

Notes:

a) A Statement under Section 102(1) of the Companies Act, 2013, relating to the Special Business under Item No. 4 to 7 mentioned above is annexed hereto.

b) A statement giving additional details of Directors seeking appointment /re-appointment as set out in Item no. 2, 4, 6 and 7 is annexed herewith as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

c) **A Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and, on a poll, to vote instead of himself / herself**

and a proxy need not be a Member of the Company. The instrument appointing a proxy should, however, be deposited at the registered office of the company duly completed and signed not less than forty-eight hours before the commencement of the meeting.

Pursuant to Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of the members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A Member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person / shareholder.

d) Corporate members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send a certified true copy of the Board Resolution together with the respective specimen signature of those representatives authorized under the said resolution to attend and vote on their behalf at the Meeting.

e) Members / Proxy Holders / Authorised Representatives are requested to produce at the entrance of the hall, admission slips duly completed and signed, in accordance with the specimen signature registered with the Company for admission to the Meeting Hall.

f) Members, who hold shares in De-materialized form, are requested to bring their Client ID and DP ID for easy identification of attendance at the meeting.

g) Members holding shares in Dematerialised Form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in Physical Form are requested to advise any change in their address or bank mandates immediately to the Company / Link Intime India Pvt. Ltd.

h) Members who have not encashed their dividend warrants for the financial years ended September 30, 2010 and thereafter, may immediately approach the Company for revalidation of unclaimed warrants as the amount of dividend remaining unpaid for a period of 7 years shall be transferred to Investors Education & Protection Fund as per the provisions of Section 124 of the Companies Act, 2013. It may also be noted that once the unclaimed dividend is transferred to the Investors Education and Protection Fund (IEPF) as above, no claim shall lie against the Company or the IEPF in respect thereof.

i) Pursuant to the provisions of Section 124 of the Companies Act, 2013, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 12, 2016 (date of last Annual General Meeting) on the website of the Company (www.walchand.com).

j) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in dematerialized form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN to the Company / RTA.

k) SEBI vide circular dated January 7, 2010 has made it mandatory for legal heir(s) to furnish a copy of their PAN, duly self attested in the following cases in respect of shares of listed companies held in physical form:

- Deletion of name of the deceased shareholder(s), where the shares are held in the names of two or more shareholders;
- Transmission of shares in favour of legal heir(s), where deceased shareholder was the sole holder of shares; and
- Transposition of shares, when there is a change in the order of names in which physical shares are held jointly in the names of two or more shareholders.

l) Copies of the Annual Report 2017 containing Notice of 108th AGM and instructions for e-voting, along with the Attendance Slip and Proxy Form are being sent by electronic mode only to the members whose email addresses are registered with the Company / Depository Participant(s), unless any member has requested for a physical copy of the report. For members who have not registered their email addresses, physical copies of the Annual Report 2017 are being sent by the permitted mode.

However, in case a Member wishes to receive a physical copy of the said documents, he is requested to send an e-mail to investors@walchand.com duly quoting his DP ID and Client ID or the Folio number, as the case may be.

Members holding shares in physical form are requested to submit their e-mail address to the Registrar, Link Intime India Private Ltd. / the Company, duly quoting their Folio number and Members holding shares in dematerialized form, who have not registered their e-mail address with their DP are requested to do so at the earliest, so as to enable the Company to send the said documents in electronic form, thereby supporting the green initiative of the MCA.

The letter and E-communication Registration Form is available on the website of the Company viz. www.walchand.com.

m) Members are requested to get the Shares transferred in joint names, if shares are held in a single name to avoid the inconvenience and also to send nomination form (available on website of the Company www.walchand.com under the section 'Investor Information'), if not sent earlier.

n) Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Registrar and Share Transfer Agent of the Company for consolidation of the folios.

o) Members desiring any information relating to the annual accounts of the Company are requested to write to the Management at least 10 (Ten) days before the meeting to enable the Company to keep the information ready at the meeting.

p) Members may also note that the Notice of the 108th AGM, explanatory statement and the Annual Report for 2017 will be available on the Company's website www.walchand.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours from 10.30 a.m. to 12.30 p.m. on working days (except Saturday and Sunday). Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same by post. For any communication, the shareholders may also send requests to the Company's investor email id: investors@walchand.com.

q) Mr. Chakor L. Doshi (DIN : 00210949), Director of the Company retire by rotation at the 108th Annual General Meeting and being eligible offer himself for re-appointment.

The brief resume, nature of his expertise in functional areas, disclosure of relationships between Directors, Directorships and Memberships of Committees of the Board of Listed entities and shareholding of Non-Executive Directors, as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is set out in this Notice as **Annexure A**.

r) Voting through electronic means:

Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members a facility to exercise their right to vote at the 108th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL). The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').

I The instructions for shareholders voting electronically are as under:

(i) The voting period begins on August 06, 2017 at 9:00 am and ends on August 08, 2017 at 5:00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of August 02, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on Shareholders.

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein

they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for Walchandnagar Industries Limited on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile**.

(xix) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

II Mr. V. N. Deodhar of M/s. V. N. Deodhar & Co., Practicing Company Secretaries has been appointed as the Scrutinizer to scrutinize the remote e-voting process and the Ballot form in a fair and transparent manner.

III The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, and submit the Report forthwith to the Chairman of the Company.

IV In case of those Members, who do not have access to e-voting facility, they can use the assent / dissent form which can be downloaded from our website www.walchand.com and convey their assent / dissent to each one of the items of business to be transacted at the ensuing AGM and send the form to reach M/s. V. N. Deodhar & Co., Scrutinizer, c/o. Link Intime India Pvt. Ltd. (Unit: Walchandnagar Industries Limited) C-101, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai – 400 083, on or before August 08, 2017 (05:00 pm).

V Members can choose only one of the two options, namely remote e-voting or voting through physically assent / dissent form. In case the votes are casted through both the formats, then votes casted through remote e-voting shall prevail.

VI The results of e-voting, physical assent / dissent and poll, if any, shall be aggregated and declared on or after the AGM of the Company by the Chairman or by any other person duly authorised in this regard. The Results declared along with the Scrutinizer's Report shall be placed on the Company's

website www.walchand.com and on the website of CDSL within two (2) days of passing of the Resolutions at the AGM of the Company and communicated to the Stock Exchanges.

VII Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. August 09, 2017.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

ITEM NO. 4

Pursuant to the provisions of Section 149 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, with respect to appointment and tenure of the Independent Directors which came into effect from April 01, 2014, the Independent Directors shall hold office for a term up to five consecutive years on the board of a Company but shall be eligible for re-appointment on passing of a special resolution by the Company for a further period of up to 5 (Five) years and shall not be liable to retire by rotation.

Mr. Dilip J. Thakkar was appointed as Independent Director for a period of 3 Years up to the conclusion of Annual General Meeting to be held in the Year 2017. Now, it is proposed to appoint Mr. Dilip J. Thakkar as Independent Director from the conclusion of 108th Annual General Meeting till the conclusion of the Annual General Meeting to be held in the year 2022, not liable to retire by rotation for 2nd term of Five Years period.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Dilip J. Thakkar, being eligible, have offered himself for re-appointment as the Independent Director on the Board of the Company for a term as stated in the Resolution.

The Nomination & Remuneration Committee and the Board of Directors have recommended appointment of Mr. Dilip J. Thakkar as Independent Director of the Company in their meetings held on May 26, 2017.

Mr. Dilip J. Thakkar, Non-executive Independent Director of the Company, have given a declaration to the Board that he meets the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013. In the opinion of the Board of Directors, Mr. Dilip J. Thakkar fulfills the conditions specified in the Companies Act, 2013, and the Rules made there under and the Listing Regulations. Mr. Dilip J. Thakkar is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and he has given his consent to act as Director.

Based on the performance evaluation carried out by the Board and after reviewing the declaration submitted by Mr. Dilip J. Thakkar, the Board of Directors of the Company at their meeting held on May 26, 2017, have formed an opinion that Mr. Dilip J. Thakkar continues to meet with the criteria of independence as per the provisions of Section 149 (6) of the Companies Act, 2013 and rules made there under and also meet with the requirements of Regulation 16 (b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and that he is independent of the management and thereby have approved the re-appointment of Mr. Dilip J. Thakkar, as an independent Director of the Company, vide resolution passed in this regard for a second term of five years i.e. from the conclusion of the 108th Annual General Meeting of the Company to be held in the Year 2017 up to the conclusion of the Annual General Meeting of the Company to be held in the calendar year 2022, subject to necessary approval of the Members.

Notice have been received from a member signifying his intention to propose appointment of Mr. Dilip J. Thakkar along with a deposit of ₹ 100,000/-.

Copy of the draft letter for appointment of Mr. Dilip J. Thakkar as an Independent Director of the Company, setting out the terms and conditions would be available for inspection by the members without any fee at the Registered Office of the Company during normal business hours on any working day, excluding Saturday and Sunday.

The Board considers that Mr, Dilip J. Thakkar's continuance on the Board as an independent Director, would be of immense benefit to the Company.

In line with the requirements of the Companies Act, 2013, it is therefore proposed to re-appoint Mr. Dilip J. Thakkar, as Independent Director for a term of 5 years on the Board of the Company.

A brief profile of Mr. Dilip J. Thakkar, Independent Director to be re-appointed including nature of his expertise and other disclosure as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is set out in this Notice as **Annexure-A**.

Except Mr. Dilip J. Thakkar, no other Director and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the said Resolution.

The Board recommends the Resolution in relation to the appointment of Mr. Dilip J. Thakkar as Independent Director, for the approval by the Shareholders of the Company.

ITEM NO. 5

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the appointment of M/s. S. R. Bhagave & Co., Cost Accountant, Pune (Regn. No. 000218), as Cost Auditors for conducting cost audit of the cost records of the Company for the financial year ending March 2018, at a remuneration of ₹ 3,00,000/- (Rupees Three Lakhs Only) plus service tax as applicable and reimbursement of actual travel and out of pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item no. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for conducting the Audit of the cost records of the Company for the year ended March 31, 2018.

None of the Directors and Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the members.

ITEM NO. 6

Members of the Company in the 104th Annual General Meeting (AGM) held on January 31, 2013, approved the appointment of Mr. G. K. Pillai as Managing Director and Chief Executive Officer of the Company for a period of 5 years from November 25, 2012 to November 24, 2017 by passing Special Resolution.

The Remuneration Committee, Board and Shareholders had approved the minimum Remuneration of Mr. G. K. Pillai, Managing Director & C.E.O. up to March 31, 2017, while his appointment had been approved till November 24, 2017. In view of the above mentioned facts, Nomination & Remuneration Committee and Board approved and recommended for appointment of Mr. G. K. Pillai as Managing Director & C.E.O. for a period of 3 years in supersession of earlier resolution for the period from April 01, 2017 to March 31, 2020.

In view of the loss, the Nomination & Remuneration Committee have recommended that the remuneration payable to Mr. G. K. Pillai, Managing Director & C.E.O. shall be the same which is presently being paid to him as Minimum Remuneration and which was approved by the shareholders in the AGM held on January 31, 2013.

The Company has obtained prior approval from the leader of the Consortium of Banks (secured creditors) for the proposed remuneration of Mr. G. K. Pillai, Managing Director & CEO of the Company.

A statement pursuant to the Provisions of Part II Section II (B) (iv) of Schedule V of the Companies Act, 2013 in respect of Mr. G. K. Pillai is attached as **Annexure – B** to the Notice.

ITEM NO. 7

The Members of the Company in the 104th Annual General Meeting (AGM) held on January 31, 2013, approved the appointment of Mr. Chirag C. Doshi as Managing Director of the Company for a period of 5 years from November 25, 2012 to November 24, 2017.

The Nomination & Remuneration Committee, Board and Shareholders had approved the minimum Remuneration of Mr. Chirag C. Doshi, Managing Director up to March 31, 2017, while his appointment had been approved till November 24, 2017. In view of the above mentioned facts Nomination & Remuneration Committee and Board approved and recommended appointment of Mr. Chirag C. Doshi as Managing Director for a period of 3 years in supersession of earlier resolution for the period from April 01, 2017 to March 31, 2020.

In view of the loss, the Nomination & Remuneration Committee have recommended that the remuneration payable to Mr. Chirag C. Doshi, Managing Director shall be the same which is presently being paid to him as Minimum Remuneration and which was approved by the shareholders in the AGM held on January 31, 2013.

The Company has obtained prior approval from the leader of the Consortium of Banks (secured creditors) for the proposed remuneration of Mr. Chirag C. Doshi, Managing Director of the Company.

A statement pursuant to the Provisions of Part II Section II (B) (iv) of Schedule V of the Companies Act, 2013 in respect of Mr. Chirag C. Doshi is attached as **Annexure – B** to the Notice.

By order of the Board

G. S. Agrawal
Vice President (Legal & Taxation) &
Company Secretary

Registered Office:

3, Walchand Terraces
Tardeo Road
Mumbai 400 034
Date: May 26, 2017
CIN: L74999MH1908PLC000291
Tel: 022 - 40287109 Fax: 022 - 23634527
E-mail: investors@walchand.com
Website: www.walchand.com

Annexure A to Notice

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT IN THE ENSUING ANNUAL GENERAL MEETING

Name of Director	**Mr. Chakor L. Doshi**	**Mr. Dilip J. Thakkar**	**Mr. G. K. Pillai**	**Mr. Chirag C. Doshi**
Date of Birth	15.09.1948	01.10.1936	18.12.1951	22.04.1974
Date of Appointment	15.05.1979	10.03.2003	25.11.2012	25.11.2007
Expertise in specific functional areas	Operations and Management of Large Industries-Industrialist	Accounts, Finance, Taxation, FEMA	He started his career with Instrumentation Ltd., a Government of India Enterprise in Kerala. After a successful career there for 21 years, he moved on to join a private sector Company M/s. Fisher Sanmar Ltd. as Vice President and rose to become its Chief Executive. He was selected to head HEC Ltd., as Chairman cum Managing Director. He anchored the turnaround of a sick PSU to a profitable company during his 5 year term. He joined Walchandnagar Industries Limited w.e.f. February 27, 2012 as Chief Operating Officer and was appointed as Managing Director & C.E.O. w.e.f. November 25, 2012.	Mr. Chirag C. Doshi has extensively worked on following and risen to the position of Managing Director of the Company: 1) Development of business strategy and execution of growth initiatives; 2) Corporate Finance and strategic fund raising; 3) Has been successful in turnaround of loss making family business; 4) Exploring and studying new businesses for organic and inorganic growth including next generation technologies.
Qualifications	B.Sc (Mathematics-Physics), Bombay University and MS in Operations Research & Industrial Engineering, University of Michigan (USA)	Chartered Accountant	He is an alumnus of Birla Institute of Technology & Science (B.I.T.S.), Pilani.	B. A. (Economics) from University of Michigan, USA; and MBA from the world-renowned 'INSEAD INSTITUTE' Paris.
Shareholding in the Company (including HUF)	55930	NIL	NIL	14000
Directorship held in other public companies (excluding foreign companies)	Bombay Cycle & Motor Agency Ltd.	1. Essar Oil Ltd., 2. Poddar Housing and Development Limited 3. Indo Count Industries Ltd., 4. Premier Ltd., 5. Himatsingka Seide Ltd., 6. Essar Ports Ltd., 7. Westlife Development Ltd	NIL	Bombay Cycle & Motor Agency Ltd.
Membership / Chairmanship of Committees of other public companies (includes only Audit Committee & Stakeholders Relationship Committee)	NIL	**Audit Committee – Chairman** 1. Essar Oil Ltd. **Audit Committee – Member** 1. Premier Ltd., 2. Westlife Development Ltd. 3. Essar Ports Ltd. **Stakeholders Relationship Committee–Member** 1. Essar Oil Ltd.	NIL	**Audit Committee – Member** Bombay Cycle & Motor Agency Ltd.

Annexure B to Notice

STATEMENT PURSUANT TO THE PROVISIONS OF PART II SECTION II (B) (iv) OF SCHEDULE V OF THE COMPANIES ACT, 2013 IN RESPECT TO ITEM NOS. 6 & 7 OF THE NOTICE

I. GENERAL INFORMATION:

(1) Nature of Industry:

The Company is engaged in heavy engineering and undertakes projects and supply of machinery and equipments, in the fields of Nuclear Power, Aerospace, Defence, Co-gen power projects, Turnkey Cement plants, Turnkey Sugar plants, Gear and Centrifugal.

(2) Date or expected date of commencement of commercial production:

Not Applicable as the Company is already in production for last several decades.

(3) In case of new companies, expected date of commencement of activities as per project approved by financial Institutions appearing in the prospectus:

Not Applicable.

(4) Financial performance based on given indicators:

(₹ in lakhs)

Particulars	**For the Year ended March 31, 2017 (Audited)**	For the Year ended March 31, 2016 (18 months) (Audited)	For the Year ended September 30, 2014 (Audited)	For the Year ended September 30, 2013 (Audited)
Total Income	**40,127.93**	80,736.77	64608.07	73214.70
Profit / (Loss) before tax	**(3,892.27)**	(6,857.45)	(1858.63)	(3577.28)
Profit / (Loss) after tax	**(6,425.63)**	(7,168.45)	(1236.63)	(3828.17)

(5) Foreign Investments or Collaborations, if any:

Foreign Investment : NIL

Foreign Collaborations (During last 5 Years reckoned from the beginning of the F.Y.):

- Earthtechnica Co. Ltd., Tokyo, Japan for Superbreaker for Lime Stone Crushing.

II. INFORMATION ABOUT THE APPOINTEE(s):

A) Mr. Chirag C. Doshi

(1) Background details:

Name of Director: Mr. Chirag C. Doshi

Age: 43 Years

Qualification: B. A. (Economics) from University of Michigan, USA; and

MBA from the world-renowned 'INSEAD INSTITUTE' Paris.

Expertise & Experience in specific functional areas:

Mr. Chirag C. Doshi has extensively worked on business strategies, various growth initiatives, market research, business development and exploring new business ventures for the Company and risen to the position of President and then Managing Director of the Company. He has been providing support in strategic long term fund raising, strategic cash flow Management and Leadership development and succession planning. He is also the Chairman and Managing Director in Bombay Cycle & Motor Agency Ltd.

(2) Past remuneration:

As a Managing Director, Mr. Chirag C. Doshi has been receiving remuneration as approved by the Members at the 104th Annual General Meeting held on January 31, 2013 and at the 105th Annual General Meeting held on January 28, 2014. The remuneration paid to him in the last two Years was as follows:

Amount paid / payable (` in lakhs)

Details	**For the financial year ended March 31, 2017 (12 Months)**	For the period ended March 31, 2016 (18 Months)
Salary	**67.80**	101.70
Perquisites	**18.72**	28.32
Contribution to P.F. and Superannuation	**12.96**	19.44
Gratuity	**2.31**	3.46
Commission	**-**	-
Total	**101.79**	152.92

(3) Job profile and his suitability:

Mr. Chirag C. Doshi the Managing Director, jointly with Mr. G. K. Pillai the Managing Director & CEO is responsible for day to day management of the Company.

The Nomination & Remuneration Committee and the Board is of the opinion that Mr. Chirag C. Doshi has the requisite qualifications, expertise and experience for the job he is holding.

(4) Remuneration proposed:

The remuneration paid/proposed to be paid during the period from April 01, 2017 to March 31, 2020 is detailed hereinabove under explanatory statement.

On the recommendation of the Nomination & Remuneration Committee, the Board has approved the appointment of Mr. Chirag C. Doshi on the same Remuneration as he is drawing today as minimum remuneration and as was approved by the Shareholders in the Annual General Meeting held on January 31, 2013 and January 28, 2014.

(5) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):

The proposed remuneration is comparable and competitive, considering the industry, size of the company, the managerial position and the credentials of the Managing Director.

(6) Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel, if any:

Other than receiving remuneration, Mr. Chirag C. Doshi has no pecuniary relationship with the Company. He is son of Mr. Chakor L. Doshi, Chairman. He holds 14,000 Equity Shares in the Company in individual capacity. He has no other direct or indirect pecuniary relationship with the Company.

B) Mr. G. K. Pillai

(1) Background details:

Name of Director: Mr. G. K. Pillai

Age: 65 Years

Qualification: He is an alumnus of Birla Institute of Technology & Science (B.I.T.S.) Pilani.

Expertise & Experience in specific functional areas:

He started his career with Instrumentation Ltd., a Government of India Enterprise in Kerala. After a successful career there for 21 years, he moved on to join a private sector Company M/s. Fisher Sanmar Ltd. as Vice President and rose to become its Chief Executive. He was selected to head HEC Ltd., as Chairman cum Managing Director. He anchored the turnaround of a sick PSU to a profitable company during his 5 year term. He joined Walchandnagar Industries Limited w.e.f. February 27, 2012 as Chief Operating Officer and was appointed as Managing Director & C.E.O. w.e.f. November 25, 2012.

(2) Past remuneration:

As a Managing Director & C.E.O., Mr. G. K. Pillai has been receiving remuneration as approved by the Members at the 104th Annual General Meeting held on January 31, 2013. The remuneration paid to him in the last two Years was as follows:

Amount paid / payable (₹ in lakhs)

Details	**For the financial year ended March 31, 2017 (12 Months)**	For the period ended March 31, 2016 (18 Months)
Salary	**87.04**	130.56
Perquisites	**12.80**	34.78
Contribution to P.F. and Superannuation	**-**	-
Gratuity	**-**	-
Commission	**-**	-
Total	**99.84**	165.34

(3) Recognition or Awards:

Mr. G. K. Pillai, Managing Director & C.E.O. has been designated as the "Technocrat of the Month" (November 2014 issue) by the Bureaucracy Today magazine.

He was also invited to deliver the Annual Vikram Sarabhai memorial lecture at VSSC Trivandrum on 12th Aug.2014.

Mr. G. K. Pillai received ENGINEER OF THE YEAR' Award from the Institution of Engineers (India) presented on "Engineer's Day" by Padma Vibhushan Dr. E. Sreedharan at a glittering function held on September 15, 2013 at Palakkad, Kerala.

(4) Job profile and his suitability:

Mr. G. K. Pillai the Managing Director & CEO jointly with Mr. Chirag C. Doshi the Managing Director, is responsible for day to day management of the Company.

The Nomination & Remuneration Committee and the Board is of the opinion that Mr. G. K. Pillai has the requisite qualifications, expertise and experience for the job he is holding.

(5) Remuneration proposed:

The remuneration paid/proposed to be paid during the period from April 01, 2017 to March 31, 2020 is detailed hereinabove under explanatory statement.

On the recommendation of the Nomination & Remuneration Committee, the Board has approved the appointment of Mr. G. K. Pillai on the same Remuneration as he is drawing today as minimum remuneration and as was approved by the Shareholders in the Annual General Meeting held on January 31, 2013.

(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):

The proposed remuneration is comparable and competitive, considering the industry, size of the company, the managerial position and the credentials of the Managing Director & CEO.

(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel, if any:

Other than receiving remuneration, Mr. G. K. Pillai has no pecuniary relationship with the Company. He has no other direct or indirect pecuniary relationship with the Company.

III. OTHER INFORMATION:

1. Reasons of loss or inadequate profits:

WIL is an Indian company with global presence and diversified business portfolio in High-tech Manufacturing, EPC Projects and Engineering Products.

The revenue for FY 16-17 (ended March 17) stands at INR 401.2 Crore and the net loss is to the tune of INR 64.26 Crore. Some of the major reasons for the loss are the ongoing outflows due to the execution of legacy projects (in the EPC domain), higher interest cost and overall lower turnover in relation to fixed costs.

However, it has to be noted that there has not been any change in the basic fundamental of the business. In fact the fundamentals have improved owing to a deliberate strategic shift towards manufacturing businesses as compared to EPC. Both in terms of revenue and order book, the share of manufacturing is higher than EPC thereby virtually reversing the scenario as it existed a year ago.

2. Steps taken or proposed to be taken for improvements

The following steps taken or proposed for improvements

- Ongoing focus on strategic manufacturing businesses (Defence, Missiles, Aerospace, and Nuclear) – favored both from a core competence and profitability perspective.
- Further focus on product businesses – Gear and Centrifugals.
- Ongoing thrust on cost-control (rationalization of manpower cost as well as administrative and consumables costs in the right areas without compromising on quality and delivery).
- Leveraging the various policy level initiatives taken by the government ("Make in India", "Indigenization in defence", etc) to grow business and develop a platform for the future.
- Being selective in the traditional EPC business with efforts being made to focus on Engineering and Supply keeping in mind profitability and customer profile.
- Further strengthening of the execution of current order book which now comprises 55% of manufacturing orders.

3. Expected increase in productivity and profits in measurable terms:

While it is difficult to fully quantify such impacts, the general trend at least in terms of profitability should be positive going ahead given the fact that an increasing share of revenue now comes from manufacturing (In FY 16-17, this share was more than 70%) and the residual order book also comprises of 55% of manufacturing orders in terms of value. At the same time the company is also conscious of the increased levels of competition and resultant moderation of margins in new order booking (than what existed in the past).

It is hoped that with the above measures, there will be improvement in the overall performance of the Company.

IV. DISCLOSURES

The required disclosures, as applicable, have been included in the Corporate Governance Report annexed to the Directors Report.

Memorandum of Interest:

Except Mr. G. K. Pillai and Mr. Chirag C. Doshi, & Mr. Chakor L. Doshi to whom Mr. Chirag C. Doshi is related, no other Director or Key Managerial Personnel or their relatives are concerned or interested in the aforesaid resolutions.

For WALCHANDNAGAR INDUSTRIES LTD

G. S. Agrawal
Vice President (Legal & Taxation) &
Company Secretary

Registered Office:

3, Walchand Terraces
Tardeo Road
Mumbai 400 034
Date: May 26, 2017
CIN: L74999MH1908PLC000291
Tel: 022 - 40287109 Fax: 022 - 23634527
E-mail: investors@walchand.com
Website: www.walchand.com

Route Map to the AGM Venue

Venue: Walchand Hirachand Hall, Indian Merchants' Chambers Building, 4th Floor, Churchgate, Mumbai - 400 020.

DIRECTORS' REPORT

To:

The Members of

Walchandnagar Industries Limited

Your directors take pleasure in presenting the 108th Annual Report on the business and operations of your Company together with Audited Accounts for the year ended March 31, 2017.

1. Financial Results:

The Company's financial performance, for the Year ended March 31, 2017 is summarized below:

	Year ended 31.03.2017 ₹ in Lakhs (12 months)	Period ended 31.03.2016 ₹ in Lakhs (18 months)
Income	**40,128**	80,737
Profit/(Loss) before Depreciation, Interest, Exceptional Item and Exchange currency fluctuations	**6,198**	6,730
Less: Interest	**6,950**	8,978
Depreciation	**1,816**	3,384
Exceptional Item	**1,183**	1,011
Profit before Exchange Currency fluctuations	**(3,751)**	(6,643)
Less: Exchange Currency Fluctuation Loss/(Gain)	**142**	214
Profit/(Loss) before Tax	**(3,893)**	(6,857)
Less: Tax (Net)	**2,533**	311
Profit/(Loss) after Tax	**(6,426)**	(7,168)

2. Financial Performance & Highlights:

During the year under review, the revenue for the financial year 2016-17 (Twelve Months) was ₹ 40,128 lakhs as against the previous period Oct 2014 - Mar 2016 (Eighteen Months) of ₹ 80,737 lakhs.

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

3. Current Period:

The orders on hand as on March 31, 2017 were at ₹ 844 crores as compared to ₹ 999 crores as on March 31, 2016.

4. Exports and Overseas Projects:

During the year / period under review, the Company achieved an export turnover of ₹ 38 Crores as against ₹ 144 Crores, in the previous year (18 months). The export orders on hand as on March 31, 2017 are at ₹ 322 Crores.

5. Dividend and Reserves:

During the Year under review your Company has suffered a (loss) after tax of ₹ (6,425.63) lakhs. Hence, no dividend is recommended for the Year ending March 31, 2017 by the Board.

During the Year under review, the Company has suffered a loss hence not recommended any amount to be transferred to the General Reserve of the Company.

6. Subsidiary, Joint Ventures And Associate Companies:

As on March 31, 2017, your Company do not have any Subsidiary, Joint Venture or Associate Company.

During the year under review, none of the Companies have become or ceased to be Company's Subsidiaries and Joint Ventures. M/s Walchand Foundries Pvt. Ltd. has ceased to be Company's Associate Company w.e.f. March 30, 2017.

7. Extract of Annual Return:

The extract of the Annual Return in Form MGT-9 in accordance with Section 92(3) of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, are set out herewith as **Annexure 'A'** to this report.

8. Management Discussion & Analysis:

Detailed Management Discussion and Analysis is enclosed by way of **Annexure `B'** to this report.

9. Finance & Accounts:

(i) Fixed Deposits:

Your Company did not invite or accept deposits from the public during the period under review.

(ii) Income Tax Assessments:

Income tax assessment up to the Assessment Year 2014-15 has been completed. However, Company has preferred appeal before Commissioner of Income Tax (Appeals) for the Assessment Year 2014-15.

10. Human Resources Development:

Human Resource is the most vital factor of any organization. We have taken it a step further this year and have hired Management Trainees via Campus to be future ready.

Contemporary Human Resource practices and policies like biometric attendance system and 5 days working for Pune office are adopted with a view to make Walchandnagar

Industries Limited a preferred employer in the heavy engineering industry.

11. Directors' Responsibility Statement:

Pursuant to the requirement under Section 134 (3) (c) of the Companies Act, 2013, the Directors' hereby confirm that:

i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures; if any;

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 March 31, 2017 and of the loss for the Year ended on that date;

iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, 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 a going concern basis;

v) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Based on the framework of Internal Financial Controls and compliance systems established and maintained by the Company with its inherent weaknesses, work performed by the Internal, Statutory and Secretarial Auditors and External Consultants specially appointed for this purpose, including audit of Internal Financial Controls over financial reporting by the Statutory Auditors, and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's Internal Financial Controls were adequate and effective during the Year ended on March 31, 2017.

12. Corporate Governance:

Your Company believes that Corporate Governance is the basis of stakeholder satisfaction. The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance Requirements as set out by SEBI. Your Company has obtained a certification from K. S. Aiyar & Company, Chartered Accountants, Statutory Auditors, on compliance with Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Schedule V of the listing Regulation. The Report of Corporate Governance along with Certificate from the auditors of the Company regarding compliance of conditions of corporate governance is enclosed by way of **Annexure 'C'** to this Report.

13. Corporate Social Responsibility:

The Companies Act, 2013 mandates that every Company, who meet certain eligibility criteria needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility activities. In view of losses, statutorily no amount is required to be spent by the Company. However, Corporate Social Responsibility is an integral part of the Company.

Over the years, the Company has taken and continues to take several initiatives to support Environment, Education, Health and Sports related activities in order to fulfill its corporate social commitments.

Health:

To create health awareness in the township and nearby villages, the Company continued to organize various health schemes during the year. This year the Company organized a general health check up camp for hazardous workers, ECG check up camp for employees above 50 years of age, undertook health related sessions for women and senior citizens. The Company is running Hospital at Walchandnagar which is open for nearby villagers as well as employees and consultation is free of cost.

Education:

The schools established by the Company continued to impart education up to Higher Secondary grade to children staying in Walchandnagar and in nearby villages. The Company currently provides education to 4111 children of which, 20% are children of employees of the company and 80% are other children who reside in Walchandnagar & nearby villages.

Environment:

To maintain a pollution free atmosphere and to spread awareness about environment protection, we have undertaken tree plantation and organized seminars on pollution control & on disposal of hazardous waste.

14. Energy, Technology & Foreign Exchange:

Pursuant to Section 134(3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules 2014,

information on conservation of energy, technology absorption, foreign exchange earnings and out-go is given in the **Annexure `D'** to this Report.

15. Personnel:

Employee relations remained harmonious and satisfactory during the year and your Board would like to place on record their sincere appreciation for sustained efforts and valued contribution made by all the employees of the Company.

16. Directors and Key Managerial Personnel:

1) Director

a) Independent Director:

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the provisions of Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Dilip J. Thakkar is proposed to be appointed as Independent Director from the conclusion of 108th Annual General Meeting till the conclusion of the Annual General Meeting to be held in the year 2022, not liable to retire by rotation.

Your Board has reviewed the declarations made by the Independent Directors and is of the view that they meet the criteria of Independence as provided in Section 149 of the Companies Act, 2013 and Rules made there under.

b) Retirement by rotation:

Pursuant to Article 86 of the Articles of Association of the Company and Section 152 of the Companies Act, 2013, Mr. Chakor L. Doshi is due to retire by rotation at the 108th Annual General Meeting and being eligible, have offered himself for re-appointment.

Brief profile of the proposed appointee together with other disclosures in terms of Regulation 36 (3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are mentioned in the Notice which is part of this Annual Report.

2) Key Managerial Personnel Appointment:

Pursuant to the provisions of Sections 2(51) & 203 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Vivek Jain was appointed as Chief Financial Officer of the Company w.e.f. July 18, 2016.

17. Number of Meetings of the Board:

The Board met five (5) times during the year from April 01, 2016 to March 31, 2017 viz. on May 24, 2016; August 12, 2016; November 12, 2016; November 22, 2016 and January 31, 2017.

18. Committees of the Board:

The Company has several Committees which have been constituted in compliance with the requirements of the relevant provisions of applicable laws and statutes.

The Company has following Committees of the Board comprising of Directors and / or Executives of the Company:

- **Audit Committee** which comprises of two Independent Directors i.e. Mr. Dilip J. Thakkar (Chairman of Committee) and Dr. Anil Kakodkar (Member), and Chairman, Mr. Chakor L. Doshi (Member).
- **Stakeholders Relationship Committee** which comprises of two Independent Directors i.e. Dr. Anil Kakodkar (Chairman of Committee) and Mr. Dilip J. Thakkar (Member) and Chairman, Mr. Chakor L. Doshi (Member).
- **Risk Management Committee** which comprises of Managing Director & C.E. O., Mr. G. K. Pillai (Chairman of Committee), Managing Director, Mr. Chirag C. Doshi (Member) and Asst. General Manager – Contracts, Mr. Shree B. Pathak (Member).
- **Nomination & Remuneration Committee** which comprises of three Independent Directors, Mr. G. N. Bajpai (Chairman of Committee), Mr. Dilip J. Thakkar (Member) and Dr. Anil Kakodkar (Member), and Chairman, Mr. Chakor L. Doshi (Member);
- **Finance Committee** which comprises of two Independent Directors i.e. Mr. Dilip J. Thakkar (Chairman of Committee) and Mr. G. N. Bajpai (Member) and Chairman, Mr. Chakor L. Doshi (Member);
- **Corporate Social Responsibility Committee** which comprises of an Independent Director, Mrs. Bhavna Doshi (Chairperson of Committee), Managing Director & C.E. O., Mr. G. K. Pillai (Member) and Managing Director, Mr. Chirag C. Doshi (Member);
- **Committee of Independent Directors** which comprises of Mr. Dilip J. Thakkar, Dr. Anil Kakodkar, Mr. G. N. Bajpai, Mr. A. R. Gandhi and Mrs. Bhavna Doshi;
- **Allotment Committee** which comprises of two Independent Directors i.e. Mr. Dilip J. Thakkar (Chairman of Committee) and Mr. G. N. Bajpai

(Member) and Chairman, Mr. Chakor L. Doshi (Member);

- **Committee of Directors for Capital Issue** which comprises of two Independent Directors i.e. Mr. G. N. Bajpai (Chairman of Committee) and Mr. Dilip J. Thakkar (Member) and Chairman, Mr. Chakor L. Doshi (Member);

19. Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a structured questionnaire was prepared. The Performance Evaluation of the Independent Directors was completed. Independent Directors Meeting considered the performance of Non-Independent Directors and the Committees and Board as a whole, reviewed the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

20. Vigil Mechanism:

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated a Whistle Blower Policy to report genuine concerns or grievances. Protected disclosures can be made by a whistle blower through an e-mail, or telephone line or a letter to the Chairman of the Audit Committee or the Company Secretary of the Company or any member of the Audit Committee. The Policy on vigil mechanism /whistle blower policy may be accessed on the Company's website at the link http://www.walchand.com/wp-content/uploads/2015/01/Whistleblower-Policy.pdf.

21. Particulars of Employees Remuneration:

(A) The statement containing particulars of employees as required under Section 197 (12) of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not being sent as the Company has no such employee who falls under the criteria specified in the said Rules.

(B) The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Section 197 (12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are forming part of this Report as **Annexure 'E'**.

22. Contracts and Arrangements with Related Parties:

All contracts / arrangements / transactions entered by the Company during the Financial Year with Related parties were in the Ordinary Course of Business and on arm's length basis.

Your Directors draw attention of the members to Note 30 to the Financial Statement which sets out related party disclosures.

23. Nomination & Remuneration Policy:

The Board has framed a policy on the recommendation of the Nomination & Remuneration Committee, which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection, appointment and remuneration of Board Members / Key Managerial Personnel and other senior employees.

Objectives:

The Nomination and Remuneration Committee and the Policy are in compliance with Section 178 of the Companies Act, 2013, read along with the applicable rules thereto.

The Key Objectives of the Committee are:

a) to formulate guidelines in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.

b) to evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.

c) to recommend to the Board the Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

Role of Committee:

The role of the Committee is explained in the Corporate Governance Report.

Nomination Duties:

The duties of the Committee in relation to nomination matters include:

a) Ensuring that there is an appropriate induction & training programme in place for new Directors and members of Senior Management and reviewing its effectiveness.

b) Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Companies Act, 2013.

c) Identifying and recommending Directors who are to be put forward for retirement by rotation.

d) Determining the appropriate size, diversity and composition of the Board.

e) Setting a formal and transparent procedure for selecting new Directors for appointment to the Board.

f) Developing a succession plan for the Board and Senior Management and regularly reviewing the plan.

g) Evaluating the performance of the Board and Independent Directors.

h) Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.

i) Delegating any of its powers to one or more of its members or the Secretary of the Committee.

j) Recommend any necessary changes to the Board.

k) Considering any other matters as may be requested by the Board.

Remuneration Duties:

The duties of the Committee in relation to remuneration matters include:

a) to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board and such other factors as the Committee shall deem appropriate.

b) to approve the remuneration of the Senior Management including Key Managerial Personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.

c) to delegate any of its powers to one or more of its members or the Secretary of the Committee.

d) to consider any other matters as may be requested by the Board.

e) to consider and recommend to the Board for Professional indemnity and liability insurance for Directors and senior management.

24. Risk Management:

Risk Management policy was approved in the Board Meeting held on August 14, 2015 wherein all material Risks faced by the Company were identified and assessed. For each of the risks identified, corresponding controls were assessed and policies and procedures were put in place for monitoring, mitigating and reporting risk on a periodic basis.

25. Internal Financial Control Systems:

Details of the Internal Financial Control Systems is explained in the "Management Discussion and Analysis" as **Annexure 'B'** to this report.

26. Insurance:

The properties, stocks, stores, assets, etc. belonging to the Company continue to be adequately insured against fire, riot, civil commotion etc.

27. Dematerialization of Shares:

The Company's shares are listed on BSE Limited and National Stock Exchange of India Ltd. and the Company's Registrar and Share Transfer Agents have connectivity with National Securities Depository Ltd. & Central Depository Services (India) Ltd. The ISIN is INE711A01022. As on March 31, 2017, total dematerialized equity shares are 37051044 representing 97.32%.

28. Company's Website:

The Company has its website namely www.walchand.com. The website provides detailed information about the business activity, locations of its offices. The Quarterly Results, Annual Reports and Shareholding patterns, all other communication with the Stock Exchanges and various policies are placed on the website of the Company and the same are updated periodically.

29. Means of Communication:

The Company has designated investors@walchand.com as an email id for the purpose of registering complaints by investors and displayed the same on the website of the Company.

30. Auditors And Auditor's Report:

Statutory Auditor:

As per the provisions of Section 139 of the Companies Act, 2013, M/s. K. S. Aiyar & Co., Chartered Accountants, Mumbai, the Statutory Auditors, of the Company will retire at the ensuing Annual General Meeting.

The Board of Directors places on record its appreciation for the services rendered by M/s. K. S. Aiyar & Co. as the Statutory Auditors of the Company.

The Board of Directors of the Company on the recommendation of the Audit Committee has recommended the appointment of M/s. Jayesh Sanghrajka & Co. LLP, Chartered Accountants, Mumbai as the Statutory Auditors of the Company w.e.f. the date of the 108th AGM upto the Annual General Meeting to be held in the Year 2022. The Company has received letter from them to

the effect that their appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for appointment. The members are requested to appoint the Auditors and authorise the Board to fix their remuneration.

Auditors Report:

The notes forming part of the accounts referred in the Auditors' Report are self explanatory and give complete information. There are no qualifications, reservation or adverse remarks made by statutory auditors in the Audit Report except matter referred in "Matter of Emphasis" para in Audit Report.

Cost Auditors and Cost Audit Report:

M/s. S. R. Bhargave & Co., Cost Accountants have been duly appointed as Cost Auditors for conducting Cost Audit in respect of products manufactured by the Company which are covered under the Cost Audit Rules for current financial year ending March 2018. They were also the cost auditors for the previous Year ended March 2017. As required by Section 148 of the Companies Act, 2013, necessary resolution has been included in the Notice convening the Annual General Meeting, seeking ratification by the Members to the remuneration proposed to be paid to the Cost Auditors for the financial year ending March 2018.

The Cost Audit Reports for the financial year ended March 2017, will be filed within the stipulated time i.e. on or before September 30, 2017.

Secretarial Auditor and Secretarial Audit Report:

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Board has appointed M/s. V. N. Deodhar & Company, Practicing Company Secretary, to conduct Secretarial Audit for the year April 01, 2016 to March 31, 2017. The Secretarial Audit Report for the year ended March 31, 2017 is annexed herewith marked as **Annexure 'F'** to this Report. No observations were made by M/s. V. N. Deodhar & Company, Secretarial Auditor of the Company in their report. The Board has re-appointed M/s. V. N. Deodhar & Co. as Secretarial Auditor for the Financial Year 2017-18 also.

31. Particulars of Loans, Guarantees or Investments by Company:

Particulars of Loans given, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013, are provided in the notes to Financial Statement (Please refer to Note 12 and 15 to the Financial Statement).

32. General:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

33. Acknowledgement:

Your Directors wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

Your Directors also place on record their sincere appreciation for the assistance and co-operation received from the banks, financial institutions, customers, suppliers and the shareholders from time to time.

For & on behalf of the Board of Directors

Chakor L. Doshi
Chairman

Registered Office :
3, Walchand Terraces,
Tardeo Road,
Mumbai - 400 034.

Date : *May 26, 2017*

ANNEXURE 'A' TO DIRECTORS REPORT

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as at the Financial Year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	L74999MH1908PLC000291
ii	Registration Date	25/11/1908
iii	Name of the Company	Walchandnagar Industries Limited
iv	Category/Sub-category of the Company	Company limited by Shares / Non-government company
v	Address of the Registered office & contact details	3, Walchand Terraces, Opposite Air Conditioned Market, Tardeo Road, Mumbai - 400034. Tel.: 022-40287109. Fax: 022-23634527. email: investors@walchand.com; Website: www.walchand.com
vi	Whether listed company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited C-101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai-400083. email: rnt.helpdesk@linkintime.co.in

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sl. No.	Name & Description of main products/ services	NIC Code of the Product /service	% to total turnover of the company
1	Special Products	-	22.61%
2	Castings	-	11.86%
3	Erection, Jobwork, Services	-	36.80%
4	Gear Boxes	-	10.10%

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
N.A.					

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

(I) CATEGORY-WISE SHAREHOLDING

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	31030	0	31030	0.0815	31030	0	31030	0.0815	0.0000
b) Central Govt. or State Govt.	0	0	0	0.0000	0	0	0	0.0000	0.0000
c) Bodies Corporates	15471923	0	15471923	40.6405	15471923	0	15471923	40.6405	0.0000

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the Year
d) Bank/FI	0	0	0	0.0000	0	0	0	0.0000	0.0000
e) Any other (Trust)	386410	0	386410	1.0150	386410	0	386410	1.0150	0.0000
SUB TOTAL:(A) (1)	**15889363**	**0**	**15889363**	**41.7370**	**15889363**	**0**	**15889363**	**41.7370**	**0.0000**
(2) Foreign									
a) NRI- Individuals	49250	0	49250	0.1294	49250	0	49250	0.1294	0.0000
b) Other Individuals	0	0	0	0.0000	0	0	0	0.0000	0.0000
c) Bodies Corp.	5000000	0	5000000	13.1336	5000000	0	5000000	13.1336	0.0000
d) Banks/FI	0	0	0	0.0000	0	0	0	0.0000	0.0000
e) Any other	0	0	0	0.0000	0	0	0	0.0000	0.0000
SUB TOTAL: (A) (2)	**5049250**	**0**	**5049250**	**13.2630**	**5049250**	**0**	**5049250**	**13.2630**	**0.0000**
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	**20938613**	**0**	**20938613**	**55.0000**	**20938613**	**0**	**20938613**	**55.0000**	**0.0000**
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	422620	500	423120	1.1114	419935	500	420435	1.1044	-0.0071
b) Banks/FI	103188	23075	126263	0.3317	90363	23075	113438	0.2980	-0.0337
c) Central Govt.	0	0	0	0	0	0	0	0.0000	0.0000
d) State Govt.	0	12000	12000	0.0315	0	12000	12000	0.0315	0.0000
e) Venture Capital Fund	0	0	0	0.0000	0	0	0	0.0000	0.0000
f) Insurance Companies	1379988	0	1379988	3.6249	1379988	0	1379988	3.6249	0.0000
g) FIIS	0	0	0	0.0000	0	0	0	0.0000	0.0000
h) Foreign Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
i) Others (specify)									
Foreign Portfolio Investor	6150	0	6150	0.0162	1000	0	1000	0.0026	-0.0135
UTI	0	4500	4500	0.0118	0	4500	4500	0.0118	0.0000
SUB TOTAL: (B)(1)	**1911946**	**40075**	**1952021**	**5.1274**	**1891286**	**40075**	**1931361**	**5.0732**	**-0.0543**
(2) Non Institutions									
a) Bodies Corporates									
i) Indian	1486622	16545	1503167	3.9484	1390970	16365	1407335	3.6967	-0.2517
ii) Overseas	0	3020	3020	0.0079	0	3020	3020	0.0079	0.0000
b) Individuals									

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the Year
i) Individual shareholders holding nominal share capital upto ₹ 1 lakhs	11040498	879376	11919874	31.3139	11096175	866571	11962746	31.4229	0.1090
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakhs	453890	172400	626290	1.6453	265740	52500	318240	0.8359	-0.8094
c) Others (specify)									
Clearing Member	318282	0	318282	0.8360	376641	0	376641	0.9893	0.1533
Directors/ Relatives	0	0	0	0.0000	0	0	0	0.0000	0.0000
Foreign Nationals	0	3330	3330	0.0087	0	3330	3330	0.0087	0.0000
Non Resident Indians (Repat)	151392	14150	165542	0.4348	381212	14150	395362	1.0385	0.6037
Non Resident Indians (Non Repat)	42921	0	42921	0.1127	139327	0	139327	0.3660	0.2532
Trusts	4280	400	4680	0.0123	4775	400	5175	0.0136	0.0013
HUF	569075	0	569075	1.4948	565810	0	565810	1.4862	-0.0086
Office Bearers	0	23390	23390	0.0614	0	23245	23245	0.0611	-0.0004
SUB TOTAL: (B)(2)	**14066960**	**1112611**	**15179571**	**39.8726**	**14220650**	**979581**	**15200231**	**39.9268**	**0.0543**
Total Public Shareholding (B)= (B)(1)+(B)(2)	**15978906**	**1152686**	**17131592**	**45.0000**	**16111936**	**1019656**	**17131592**	**45.0000**	**0.0000**
C. Shares held by Custodian for GDRs & ADRs	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0.0000**
Grand Total (A+B+C)	**36917519**	**1152686**	**38070205**	**100.0000**	**37050549**	**1019656**	**38070205**	**100.0000**	**0.0000**

(ii) SHAREHOLDING OF PROMOTERS

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Chirag C. Doshi	14000	0.0368	0	14000	0.0368	0.0368	0
2	Champa C. Doshi	10350	0.0272	0	10350	0.0272	0.0272	0
3	Chakor L. Doshi	49250	0.1294	0	49250	0.1294	0	0
4	Chakor L. Doshi HUF	6680	0.0175	0	6680	0.0175	0.0175	0
5	Smt Lalitabai Lalchand Charity Trust	379210	0.9961	0	379210	0.9961	0	0
6	Walchand Charitable Trust	7200	0.0189	0	7200	0.0189	0	0
7	Walchand Kamdhenu Commercials Pvt. Ltd.	9869673	25.9249	10.5069	9869673	25.9249	25.9249	0
8	Walchand Great Achievers Pvt. Ltd.	5260160	13.8170	1.8781	5260160	13.8170	13.8170	0
9	Walchand Chiranika Trading Pvt. Ltd.	342090	0.8986	0	342090	0.8986	0	0
10	Rodin Holdings Inc	3000000	7.8802	0	3000000	7.8802	0	0
11	Olsson Holdings Inc	2000000	5.2535	0	2000000	5.2535	0	0
	Total	**20938613**	**55.0000**	**12.3850**	**20938613**	**55.0000**	**39.8234**	**0**

(iii) CHANGE IN PROMOTERS' SHAREHOLDING

There is no change in Promoter's Shareholding.

(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS & HOLDERS OF GDRS & ADRS)

Sr. No.		Shareholding at the beginning of the year 01.04.2016		Transactions during the year		Cumulative Shareholding at the end of the year 31.03.2017	
	Name & Type of Transaction	No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No. of Shares Held	% of Total Shares of the Company
1	LIFE INSURANCE CORPORATION OF INDIA	1379988	3.6249	-	-	1379988	3.6249
	AT THE END OF THE YEAR					1379988	3.6249
2	RELIANCE CAPITAL TRUSTEE CO. LTD-A/C RELIANCE CAPITAL BUILDER FUND - SR A	419935	1.1031	-	-	419935	1.1031
	AT THE END OF THE YEAR					419935	1.1031
3	CHETAN JAYANTILAL SHAH	250000	0.6567	-	-	250000	0.6567
	Transfer			04 Nov 2016	(25000)	225000	0.5910
	Transfer			11 Nov 2016	(25000)	200000	0.5253
	Transfer			17 Feb 2017	(50000)	150000	0.3940
	AT THE END OF THE YEAR					150000	0.3940
4	ADAR POONAWALLA FINVEST PVT LTD	107401	0.2821	-	-	107401	0.2821
	Transfer			24 Mar 2017	24	107425	0.2822
	AT THE END OF THE YEAR					107425	0.2822
5	KEWAL KIRAN FINANCE PRIVATE LIMITED	100000	0.2627	-	-	100000	0.2627
	AT THE END OF THE YEAR					100000	0.2627
6	IL AND FS SECURITIES SERVICES LIMITED	72581	0.1907	-	-	72581	0.1907
	Transfer			01 Apr 2016	(2347)	70234	0.1845
	Transfer			08 Apr 2016	2967	73201	0.1923
	Transfer			15 Apr 2016	(1028)	72173	0.1896
	Transfer			22 Apr 2016	324	72497	0.1904
	Transfer			29 Apr 2016	2743	75240	0.1976
	Transfer			06 May 2016	1292	76532	0.2010
	Transfer			13 May 2016	5150	81682	0.2146
	Transfer			20 May 2016	(4426)	77256	0.2029
	Transfer			27 May 2016	(1395)	75861	0.1993
	Transfer			03 Jun 2016	(681)	75180	0.1975
	Transfer			10 Jun 2016	(8801)	66379	0.1744
	Transfer			17 Jun 2016	3050	69429	0.1824
	Transfer			24 Jun 2016	(9495)	59934	0.1574
	Transfer			30 Jun 2016	4360	64294	0.1689
	Transfer			01 Jul 2016	(313)	63981	0.1681
	Transfer			08 Jul 2016	(3275)	60706	0.1595
	Transfer			15 Jul 2016	21720	82426	0.2165

Sr. No.		Shareholding at the beginning of the year 01.04.2016		Transactions during the year		Cumulative Shareholding at the end of the year 31.03.2017	
	Name & Type of Transaction	No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No. of Shares Held	% of Total Shares of the Company
	Transfer			22 Jul 2016	(1952)	80474	0.2114
	Transfer			29 Jul 2016	(6200)	74274	0.1951
	Transfer			05 Aug 2016	585	74859	0.1966
	Transfer			12 Aug 2016	2278	77137	0.2026
	Transfer			19 Aug 2016	(2171)	74966	0.1969
	Transfer			26 Aug 2016	(8126)	66840	0.1756
	Transfer			02 Sep 2016	(1320)	65520	0.1721
	Transfer			09 Sep 2016	985	66505	0.1747
	Transfer			16 Sep 2016	599	67104	0.1763
	Transfer			23 Sep 2016	1553	68657	0.1803
	Transfer			30 Sep 2016	(7759)	60898	0.1600
	Transfer			07 Oct 2016	26780	87678	0.2303
	Transfer			14 Oct 2016	9847	97525	0.2562
	Transfer			21 Oct 2016	(11634)	85891	0.2256
	Transfer			28 Oct 2016	(3712)	82179	0.2159
	Transfer			04 Nov 2016	(1650)	80529	0.2115
	Transfer			11 Nov 2016	(15493)	65036	0.1708
	Transfer			18 Nov 2016	308	65344	0.1716
	Transfer			25 Nov 2016	4690	70034	0.1840
	Transfer			02 Dec 2016	492	70526	0.1853
	Transfer			09 Dec 2016	(9077)	61449	0.1614
	Transfer			16 Dec 2016	(2861)	58588	0.1539
	Transfer			23 Dec 2016	500	59088	0.1552
	Transfer			30 Dec 2016	(311)	58777	0.1544
	Transfer			06 Jan 2017	(1736)	57041	0.1498
	Transfer			13 Jan 2017	1105	58146	0.1527
	Transfer			20 Jan 2017	(1753)	56393	0.1481
	Transfer			27 Jan 2017	229	56622	0.1487
	Transfer			03 Feb 2017	3553	60175	0.1581
	Transfer			10 Feb 2017	4447	64622	0.1697
	Transfer			17 Feb 2017	10977	75599	0.1986
	Transfer			24 Feb 2017	4086	79685	0.2093
	Transfer			03 Mar 2017	6849	86534	0.2273
	Transfer			10 Mar 2017	6084	92618	0.2433
	Transfer			17 Mar 2017	(7587)	85031	0.2234
	Transfer			24 Mar 2017	(398)	84633	0.2223
	Transfer			31 Mar 2017	(5912)	78721	0.2068
	AT THE END OF THE YEAR					78721	0.2068

Sr. No.		Shareholding at the beginning of the year 01.04.2016		Transactions during the year		Cumulative Shareholding at the end of the year 31.03.2017	
	Name & Type of Transaction	No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No. of Shares Held	% of Total Shares of the Company
7	ANGEL FINCAP PRIVATE LIMITED	23850	0.0626	-	-	23850	0.0626
	Transfer			01 Apr 2016	(30)	23820	0.0626
	Transfer			08 Apr 2016	989	24809	0.0652
	Transfer			15 Apr 2016	(960)	23849	0.0626
	Transfer			22 Apr 2016	2756	26605	0.0699
	Transfer			29 Apr 2016	1733	28338	0.0744
	Transfer			06 May 2016	217	28555	0.0750
	Transfer			13 May 2016	1010	29565	0.0777
	Transfer			20 May 2016	355	29920	0.0786
	Transfer			27 May 2016	(3465)	26455	0.0695
	Transfer			03 Jun 2016	107	26562	0.0698
	Transfer			10 Jun 2016	(1749)	24813	0.0652
	Transfer			17 Jun 2016	253	25066	0.0658
	Transfer			24 Jun 2016	9658	34724	0.0912
	Transfer			30 Jun 2016	(22053)	12671	0.0333
	Transfer			01 Jul 2016	(5)	12666	0.0333
	Transfer			08 Jul 2016	371	13037	0.0342
	Transfer			15 Jul 2016	336	13373	0.0351
	Transfer			22 Jul 2016	(218)	13155	0.0346
	Transfer			29 Jul 2016	(305)	12850	0.0338
	Transfer			05 Aug 2016	825	13675	0.0359
	Transfer			12 Aug 2016	235	13910	0.0365
	Transfer			19 Aug 2016	(559)	13351	0.0351
	Transfer			26 Aug 2016	699	14050	0.0369
	Transfer			02 Sep 2016	1978	16028	0.0421
	Transfer			09 Sep 2016	9	16037	0.0421
	Transfer			16 Sep 2016	(1830)	14207	0.0373
	Transfer			23 Sep 2016	31	14238	0.0374
	Transfer			30 Sep 2016	(109)	14129	0.0371
	Transfer			07 Oct 2016	75	14204	0.0373
	Transfer			14 Oct 2016	(480)	13724	0.0360
	Transfer			21 Oct 2016	635	14359	0.0377
	Transfer			28 Oct 2016	2232	16591	0.0436
	Transfer			04 Nov 2016	(296)	16295	0.0428
	Transfer			11 Nov 2016	(1156)	15139	0.0398
	Transfer			18 Nov 2016	761	15900	0.0418
	Transfer			25 Nov 2016	(1316)	14584	0.0383
	Transfer			02 Dec 2016	(358)	14226	0.0374

Sr. No.		Shareholding at the beginning of the year 01.04.2016		Transactions during the year		Cumulative Shareholding at the end of the year 31.03.2017	
	Name & Type of Transaction	No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No. of Shares Held	% of Total Shares of the Company
	Transfer			09 Dec 2016	(135)	14091	0.0370
	Transfer			16 Dec 2016	(440)	13651	0.0359
	Transfer			23 Dec 2016	262	13913	0.0365
	Transfer			30 Dec 2016	(152)	13761	0.0361
	Transfer			31 Dec 2016	10	13771	0.0362
	Transfer			06 Jan 2017	5	13776	0.0362
	Transfer			13 Jan 2017	(425)	13351	0.0351
	Transfer			20 Jan 2017	(145)	13206	0.0347
	Transfer			27 Jan 2017	15	13221	0.0347
	Transfer			10 Feb 2017	1015	14236	0.0374
	Transfer			17 Feb 2017	(555)	13681	0.0359
	Transfer			24 Feb 2017	(3122)	10559	0.0277
	Transfer			03 Mar 2017	(382)	10177	0.0267
	Transfer			10 Mar 2017	35255	45432	0.1193
	Transfer			17 Mar 2017	(110)	45322	0.1190
	Transfer			24 Mar 2017	(95)	45227	0.1188
	Transfer			31 Mar 2017	28766	73993	0.1944
	AT THE END OF THE YEAR					73993	0.1944
8	LILAVATI ASHOK SHAH	100000	0.2627	-	-	100000	0.2627
	Transfer			30 Dec 2016	(35000)	65000	0.1707
	AT THE END OF THE YEAR					65000	0.1707
9	ANGEL BROKING PRIVATE LIMITED	44082	0.1158	-	-	44082	0.1158
	Transfer			08 Apr 2016	2024	46106	0.1211
	Transfer			15 Apr 2016	2063	48169	0.1265
	Transfer			22 Apr 2016	(7407)	40762	0.1071
	Transfer			29 Apr 2016	(716)	40046	0.1052
	Transfer			06 May 2016	(166)	39880	0.1048
	Transfer			13 May 2016	(5376)	34504	0.0906
	Transfer			20 May 2016	6221	40725	0.1070
	Transfer			27 May 2016	3274	43999	0.1156
	Transfer			03 Jun 2016	2048	46047	0.1210
	Transfer			10 Jun 2016	16214	62261	0.1635
	Transfer			17 Jun 2016	(5090)	57171	0.1502
	Transfer			24 Jun 2016	(3829)	53342	0.1401
	Transfer			30 Jun 2016	4364	57706	0.1516
	Transfer			01 Jul 2016	(7779)	49927	0.1311
	Transfer			08 Jul 2016	(5343)	44584	0.1171
	Transfer			15 Jul 2016	36462	81046	0.2129
	Transfer			22 Jul 2016	(29359)	51687	0.1358
	Transfer			29 Jul 2016	19559	71246	0.1871
	Transfer			05 Aug 2016	(37744)	33502	0.0880
	Transfer			12 Aug 2016	976	34478	0.0906

Sr. No.		Shareholding at the beginning of the year 01.04.2016		Transactions during the year		Cumulative Shareholding at the end of the year 31.03.2017	
	Name & Type of Transaction	No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No. of Shares Held	% of Total Shares of the Company
	Transfer			19 Aug 2016	(2949)	31529	0.0828
	Transfer			26 Aug 2016	2126	33655	0.0884
	Transfer			02 Sep 2016	(4715)	28940	0.0760
	Transfer			09 Sep 2016	2722	31662	0.0832
	Transfer			16 Sep 2016	3537	35199	0.0925
	Transfer			23 Sep 2016	8895	44094	0.1158
	Transfer			30 Sep 2016	31556	75650	0.1987
	Transfer			07 Oct 2016	(8027)	67623	0.1776
	Transfer			14 Oct 2016	(13015)	54608	0.1434
	Transfer			21 Oct 2016	(4527)	50081	0.1315
	Transfer			28 Oct 2016	2649	52730	0.1385
	Transfer			04 Nov 2016	(7061)	45669	0.1200
	Transfer			11 Nov 2016	11227	56896	0.1495
	Transfer			18 Nov 2016	2210	59106	0.1553
	Transfer			25 Nov 2016	1200	60306	0.1584
	Transfer			02 Dec 2016	483	60789	0.1597
	Transfer			09 Dec 2016	(1636)	59153	0.1554
	Transfer			16 Dec 2016	(4075)	55078	0.1447
	Transfer			23 Dec 2016	(5161)	49917	0.1311
	Transfer			30 Dec 2016	34283	84200	0.2212
	Transfer			06 Jan 2017	(3399)	80801	0.2122
	Transfer			13 Jan 2017	5993	86794	0.2280
	Transfer			20 Jan 2017	(7819)	78975	0.2074
	Transfer			27 Jan 2017	(645)	78330	0.2058
	Transfer			03 Feb 2017	7487	85817	0.2254
	Transfer			10 Feb 2017	4463	90280	0.2371
	Transfer			17 Feb 2017	2736	93016	0.2443
	Transfer			24 Feb 2017	(5091)	87925	0.2310
	Transfer			03 Mar 2017	3299	91224	0.2396
	Transfer			10 Mar 2017	(33647)	57577	0.1512
	Transfer			17 Mar 2017	(7421)	50156	0.1317
	Transfer			24 Mar 2017	6890	57046	0.1498
	Transfer			31 Mar 2017	2581	59627	0.1566
	AT THE END OF THE YEAR					59627	0.1566
10	SHAREKHAN FINANCIAL SERVICES PVT. LTD.	64923	0.1705	-	-	64923	0.1705
	Transfer			08 Apr 2016	(2653)	62270	0.1636
	Transfer			15 Apr 2016	(100)	62170	0.1633
	Transfer			29 Apr 2016	70	62240	0.1635
	Transfer			06 May 2016	1030	63270	0.1662
	Transfer			13 May 2016	200	63470	0.1667

Sr. No.		Shareholding at the beginning of the year 01.04.2016		Transactions during the year		Cumulative Shareholding at the end of the year 31.03.2017	
	Name & Type of Transaction	No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No. of Shares Held	% of Total Shares of the Company
	Transfer			27 May 2016	123	63593	0.1670
	Transfer			03 Jun 2016	(2315)	61278	0.1610
	Transfer			10 Jun 2016	(4805)	56473	0.1483
	Transfer			17 Jun 2016	1250	57723	0.1516
	Transfer			24 Jun 2016	(645)	57078	0.1499
	Transfer			30 Jun 2016	(250)	56828	0.1493
	Transfer			08 Jul 2016	744	57572	0.1512
	Transfer			15 Jul 2016	(540)	57032	0.1498
	Transfer			22 Jul 2016	(3294)	53738	0.1412
	Transfer			29 Jul 2016	(450)	53288	0.1400
	Transfer			12 Aug 2016	(500)	52788	0.1387
	Transfer			02 Sep 2016	(867)	51921	0.1364
	Transfer			09 Sep 2016	2476	54397	0.1429
	Transfer			16 Sep 2016	(2426)	51971	0.1365
	Transfer			23 Sep 2016	(25)	51946	0.1364
	Transfer			30 Sep 2016	(550)	51396	0.1350
	Transfer			07 Oct 2016	540	51936	0.1364
	Transfer			14 Oct 2016	184	52120	0.1369
	Transfer			28 Oct 2016	636	52756	0.1386
	Transfer			04 Nov 2016	(1360)	51396	0.1350
	Transfer			18 Nov 2016	(500)	50896	0.1337
	Transfer			23 Dec 2016	500	51396	0.1350
	Transfer			31 Mar 2017	(5500)	45896	0.1206
	AT THE END OF THE YEAR					45896	0.1206

Note: 1. Paid up Share Capital of the Company (Face Value ₹ 2.00) at the end of the year is 38070205 Shares.

2. The details of holding has been clubbed based on PAN.

3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

(v) SHAREHOLDING OF DIRECTORS & KMP

Sl. No.		Shareholding at the end of the year		Cumulative Shareholding during the year	
	For Each of the Directors & KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Chakor L. Doshi				
	At the beginning of the year	49250	0.1294	49250	0.1294
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	0	0.0000	0	0.0000
	At the end of the year	49250	0.1294	49250	0.1294
2	Chirag C. Doshi				
	At the beginning of the year	14000	0.0368	14000	0.0368
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	0	0	0	0.0000
	At the end of the year	14000	0.0368	14000	0.0368
3	G. K. Pillai				
	At the beginning of the year	0	0.0000	0	0.0000
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	0	0	0	0.0000
	At the end of the year	0	0.0000	0	0.0000
4	Dilip J. Thakkar				
	At the beginning of the year	0	0.0000	0	0.0000
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	0	0	0	0.0000
	At the end of the year	0	0.0000	0	0.0000
5	Dr. Anil Kakodkar				
	At the beginning of the year	0	0.0000	0	0.0000
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	0	0	0	0.0000
	At the end of the year	0	0.0000	0	0.0000
6	G. N. Bajpai				
	At the beginning of the year	0	0.0000	0	0.0000
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	0	0	0	0.0000
	At the end of the year	0	0.0000	0	0.0000

Sl. No.		Shareholding at the end of the year		Cumulative Shareholding during the year	
	For Each of the Directors & KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
7	A. R. Gandhi				
	At the beginning of the year	0	0.0000	0	0.0000
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	0	0	0	0.0000
	At the end of the year	0	0.0000	0	0.0000
8	Bhavna Doshi				
	At the beginning of the year	0	0.0000	0	0.0000
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	0	0	0	0.0000
	At the end of the year	0	0.0000	0	0.0000
9	G. S. Agrawal				
	At the beginning of the year	0	0.0000	0	0.0000
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	0	0	0	0.0000
	At the end of the year	0	0.0000	0	0.0000
10	Vivek Jain				
	At the beginning of the year	0.0000	0	0	0.0000
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	0	0	0	0.0000
	At the end of the year	0	0.0000	0	0.0000

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	38,642	1,815	-	40,457
ii) Interest due but not paid				-
iii) Interest accrued but not due				-
Total (i+ii+iii)	38,642	1,815	-	40,457

(₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Change in Indebtedness during the financial year				
Additions	1,218	8,000	-	9,218
Reduction	6,774	1,331	-	8,105
Net Change	**(5,556)**	**6,669**	-	**1,113**
Indebtedness at the end of the financial year				
i) Principal Amount	33,086	8,484	-	41,570
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	**33,086**	**8,484**	-	**41,570**

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE TIME DIRECTOR AND/OR MANAGER:

Sl. No.	Particulars of Remuneration	Name of the MD		Total Amount
		Mr. G. K. Pillai	Mr. Chirag C. Doshi	
1	**Gross salary**			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961	8703996	6780000	15483996
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	1279596	1872125	3151721
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0
2	Stock option	0	0	0
3	Sweat Equity	0	0	0
4	Commission as % of profit	0	0	0
5	Others, please specify			
	Contribution of P.F. and Superannuation	0	1296000	1296000
	Gratuity	0	230768	230768
	Total (A)	**9983592**	**10178893**	**20162485**
	Ceiling as per the Act	**N.A. (being in loss)**		

B. REMUNERATION TO OTHER DIRECTORS: The Directors in the Board Meeting held on March 15, 2016 decided that no Sitting Fees would be charged for attending Board and Committee Meetings in view of the current liquidity position of the Company.

Sl. No	Particulars of Remuneration	Name of the Directors					Total Amount
1	Independent Directors	Mr. Dilip J. Thakkar	Dr. Anil Kakodkar	Mr. G. N. Bajpai	Mr. A. R. Gandhi	Mrs. Bhavna Doshi	
	(a) Fee for attending board committee meetings	NIL					
	(b) Commission						
	(c) Others, please specify						
	Total (1)						
2	Other Non Executive Directors	Mr. Chakor L. Doshi					
	(a) Fee for attending board committee meetings	NIL					
	(b) Commission						
	(c) Others, please specify.						
	Total (2)						
	Total (B)=(1+2)						
	Total Managerial Remuneration						
	Overall Ceiling as per the Act.	**N.A. (being in loss)**					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
1	**Gross Salary**	**CEO***	**Company Secretary**	**CFO****	**TOTAL**
			Mr. G. S. Agrawal	Mr. Vivek Jain	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961		1898640	2362969	**4261609**
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961		367733	0	**367733**
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		0	0	**0**
2	Stock Option		0	0	**0**
3	Sweat Equity		0	0	**0**
4	Commission as % of profit		0	0	**0**
5	Others, please specify				
	Contribution of P.F. and Superannuation		351054	126618	**477672**
	Gratuity		62510	71942	**134452**
	Total		**2679937**	**2561529**	**5241466**

* Mr. G. K. Pillai in Managing Director and CEO of the Company. His remuneration is as mentioned in VI A above.

** Mr. Vivek Jain was appointed as CFO w.e.f. July 18, 2016.

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: Nil

ANNEXURE 'B' TO THE DIRECTORS' REPORT MANAGEMENT DISCUSSION AND ANALYSIS

Economic Overview

Last year has been a year of global upheavals with respect to the medium term outlook for globalization and in particular to the "political carrying capacity for globalization" with the fears of Brexit finally coming true and also with the regime change in the United States. To add to this was the increasing geopolitical uncertainty created by the increasingly tense situation in West Asia and the refugee crisis. All in all the last fiscal year has been one wherein the global focus to a large extent was on the grave challenges that globalization faces. India in contrast continued to stand out as an outlier with the highest growth rate amongst the major world economies. The Indian economy was tested for its resilience and capacity to bounce back especially after the shock treatment of demonetization which happened in November 2016.

While some hiccups still remain, it does seem that with the revival in consumer demand and industrial production after an initial period of uncertainty and banking operations coming back to normal, the economy has withstood the shock fairly well. With the ruling dispensation further consolidating its position after the recently concluded state and local body elections, the time seems to be ripe for the long awaited major economic reforms. The planned roll out of Goods and Services Tax (GST) in July 17 is expected to be a defining moment in the process of economic liberalisation in India. What remains as the sore point which is holding back the true potential growth of the economy is the problem of stressed assets on bank's balance sheets and the resultant brakes on lending and credit growth. This has particularly hit the industrial sector (especially capital goods) quite hard.

However, there is definitely hope for economic revival going ahead owing to a number of factors which include normal monsoon predictions for 2017 and follow up actions on a host of encouraging policy level decisions taken and initiatives put in place earlier by the government. With sustained focus on the "Make in India" philosophy, further opening up of critical sectors like Defence to domestic private players, efforts to remove roadblocks in the Nuclear Energy domain, encouragement to new and renewable forms of energy generation, programs like Digital India, Skill Development, etc it is hoped that 2017-18 would be a more wholesome year for the Indian economy in terms of economic revival. Recent announcements made by the government like the ones on building ten indigenous nuclear power plants and further induction of private players as strategic partners in defence augur well for the sectors that WIL is present in.

As an organization, WIL is fully poised to leverage the opportunities that the growing economy is likely to throw up. With increased focus on strategic sectors like Defence, Aerospace, Missiles and Nuclear, WIL would target further cementing its partnerships with its esteemed customers in these domains and continue to play its role in nation building. With relentless focus on quality, engineering, capability enhancement and execution, it would be our effort to achieve customer satisfaction and increase our footprint in these strategic sectors going ahead.

Financial Performance

Sales & Profitability

Following is the summary of sales & profitability for the fiscal 2016-17 compared with previous year (October 2014 to March 2016).

Particulars	FY 2016-17 (12 months)	FY 2014-16 (18 months)
Total Income	40,128	80,737
EBIDTA (Before Exceptional Items & Exchange Currency fluctuations)	6,198	6,730
EBIDTA (After Exceptional Items & Exchange Currency fluctuations)	4,874	5,505
Profit / (Loss) Before Tax (PBT)	(3,893)	(6,857)
Profit / (Loss) After Tax (PAT)	(6,426)	(7,168)
Cash Profit / (Loss)	(4,610)	(3,784)
Fully diluted EPS	(16.88)	(18.83)

All figures ₹ in Lakhs except EPS, which is an absolute number

Business Segment-wise Order Book, Performance & focus areas

The order book as on 31st March, 2017 stood at INR 844 Crore. The share of manufacturing divisions in the overall order book has now increased to 57%. The overall direction would be to further grow (both in terms of absolute value and % share) the manufacturing order book especially "Defence Business Group". WIL's strong legacy in this domain as well as its current track record of order execution puts us in a strong position to do so. In fact over the period of the last 4 quarters, the share of manufacturing in the overall revenue has been in excess of 70%. As far as EPC projects are concerned, the approach would be to remain selective with due emphasis on profitability and customer profile. Focus would also be given on certain specific segments like centrifugal machines with emphasis on the exports market.

Key Events

- Supply of critical equipment for India's Defence Program.
- Supply of critical equipment for India's Nuclear Program.
- Supply of key equipments for India's Space Program including all the recently concluded critical missions.
- Achieved enhanced output (in terms of no. of integrated sets per month) for India's Missile Program (SAM AKASH).
- Completion of execution of Tendaho - phase 1 project (Sugar + Co-generation) in Ethiopia.
- Retained the highest market share in the domestic market in centrifugal machines sales.

Risk Management

Your Company follows a conservative Risk Management policy. Whilst the broad framework of the Risk remains more or less same, the priorities do change in line with the changing business profile, economic scenario etc. The business profile of your company is evolving in line with the current market trends and conditions wherein going ahead there would be a sustained thrust on niche manufacturing. Established presence in the sugar & co-generation business, cement equipment manufacturing as well as supply of critical manufactured components for aerospace, defence and nuclear sectors enables us to understand the dynamics and cyclicality of such businesses and largely mitigate all associated risks. With a function dedicated to contract performance and a constituted body in the form of a risk management committee, your company assures all its shareholders of a conservative and prudent risk mitigation framework.

Execution excellence is the key to profitable growth and your company's management clearly realizes this golden rule. Your company has made the necessary changes in its organization structure so as to ensure faster and more decisive project execution. One of the key steps taken in this direction is single point responsibility to designated project managers for all new orders being booked. This also comes along with empowerment of such individuals in order to expedite decision making related to all aspects of project management i.e. procurement, contract management, execution, commercial issues, technical issue resolution, etc. It is hoped that this approach would go a long way in streamlining project execution.

Exposure to Retention Monies and Guarantees is an inherent part of the business of your company which is especially pronounced in the case of long gestation projects. In order to systematically protect your company's interests and ensure sustainability, the following processes have been adequately strengthened:

- Estimation Process – This has been made more robust with a combination of technical and commercial assessment.
- Effective Project and Contract Management – Exhaustive monitoring of customers and vendors contractual obligations vis-à-vis our respective contracts with them concomitant to project progress.

Liquidity & Financial Prudence

Management of liquidity assumes even more importance when the size of the projects being handled goes up. This is to ensure adequate supply of funds for execution of the projects and entails the complete management of net working capital. Your Company is giving significant emphasis on this aspect with specific efforts to track receivables, inventories and payment to supply base. Further, your Company firmly believes that financial prudence is the key to survival in difficult times as well as sustained growth.

Foreign Exchange Risk Management

Your Company's fundamental policy on the exchange risk management still continues to be conservative where the Company does not enter into any exotic, leveraged or embedded, long term structures of hedging. The only instrument, if used for hedging, is a Forward contract strictly against the underlying asset or liability. Further, your Company has created significant natural hedge between the exports outstanding and import and loan liability in foreign exchange terms.

Technology Upgradation

The key to sustained competitiveness is the availability of contemporary technologies. Your Company, over the years, has entered into collaboration arrangements with some of the world's renowned technology providers in its core field of activities. In domains like Co-generation, Cement Equipment Manufacturing and Gear Design, your company has benefitted from such technical collaborations. Increased thrust on strategic sectors like Defence would definitely increase the need to have the right technology collaborations and references. In its quest to grow in this domain, your company would ensure the necessary technology Upgradation at appropriate stages.

Demand Cyclicality: part of the industry structure

Demand cyclicality is a generic risk applicable almost across the market spectrum especially in the capital Goods Industry. In case of your Company, this risk assumes significance since most of the end users of your Company follow an economic cycle of their own. This results in variation in the revenue drawn from different end user segments from year to year. Your Company's approach to mitigate this risk continues to be:

- Technology up-gradation and moving up the value chain
- Diverse yet synergistic revenue model – Increasing focus on manufacturing as compared to EPC
- Focus on core & less cyclical industries such as Missiles, Defence and Aerospace
- More focus on product business like Gears and Centrifugal Machines
- More focus going ahead on Spares, Refurbishment & Repairs and O&M activities
- Growing focus on overseas business in order to hedge against domestic cyclicality

Internal Control Systems

The internal audit function of the Company can be broadly divided into the following:

- Risk Based Internal Audit (RBIA) wherein the focus is given on End to End processes and control points from the point of view of Systems, Processes and awareness of people.
- Transaction audit covering all individual transactions on a granular basis to check the accuracy, accounting, propriety and controls.
- Audit of various sub processes in SAP. This entails identification of process gaps in SAP and correcting them from time to time.
- The findings of the audit are discussed in each audit committee meeting as well as in the internal meetings at a regular interval.

Human Resources

- Your company has been one of the pioneers in Indian Industry in the development of a dedicated and skilled technical workforce in the area of Heavy Engineering. We believe that this is our single biggest strength which has to be nurtured and constantly developed.
- Management and Workmen relations have been cordial.
- Various initiatives have been taken to encourage younger talent to develop and take up bigger responsibilities – job rotation, GET program, Management trainees program, etc.
- Training programs intended to hone both technical and managerial skills are conducted throughout the year as part of an on-going skill development process.
- Regular Communications Sessions with top management ensure that employees at all levels are kept abreast of the latest developments within the organization and also of the business climate in general.

Business Outlook – leveraging the available opportunities

The Company is confident of a much improved performance in the next year because of the followings:

- Order book skewed towards value adding niche manufacturing businesses.
- Strong business outlook in strategic sectors like Defence & Aerospace.
- Marked improvement in the progress of long gestation EPC projects.
- Increased focus on overseas markets and further capitalizing upcoming opportunities.
- Ongoing efforts towards cost-rationalization.
- Likely positive impact of general macro-economic conditions in the domestic economy.

Further, your Company has strong fundamentals for a sustainable growth:

- Well diversified yet synergistic business model.
- Strong manufacturing capability.
- In house design engineering capability.
- Project management capability.
- Technology tie-ups in critical areas.

This would augur well for your Company's long term sustainable growth.

Long term competitiveness

Your Company believes that it has taken steps to attain long term growth and competitiveness and has significant resilience to sustain through the periods of economic cyclicality and adversities. The key to this lies in the conservative, synergistic and technology focussed strategies adopted by your Company.

Cautionary Statement

This management discussion and analysis may contain Forward looking statements within the meaning of the applicable laws, rules and judicial pronouncements, relating to the business strategies, prospects, financial performance etc. The actual results may vary significantly or materially than those contemplated / implied in the analysis for various reasons including but not limited to the Government policy, macro economic situation, Business cycles, Financial & liquidity situation, demand slowdown, performance risk, material costs, interest costs, exchange rates etc. The Company does not undertake to make any declarations / pronouncements of any such eventuality.

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ANNEXURE 'C' TO DIRECTORS' REPORT

REPORT ON CORPORATE GOVERNANCE:

(1) A brief statement on Company's philosophy on Code of Governance :

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of the organisation.

The Company's commitment for effective Corporate Governance continues and the Company has always been at the forefront of benchmarking its internal systems and policies within accepted standards so as to facilitate the creation of long term value for its shareholders. The Company has Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Risk Management Committee, Finance Committee, Corporate Social Responsibility Committee, Committee of Independent Directors, Allotment Committee, Committee of Directors for Capital Issue, and these Committees report to Board of Directors about the tasks assigned to them.

The Board of Directors fully supports and endorses Corporate Governance practices as enunciated in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(2) Board of Directors:

As on March 31, 2017, the Board of Directors comprised of a Non-Executive Chairman, a Managing Director & CEO, a Managing Director and 5 Independent Non-Executive Directors including a Woman Director. The composition of the Board of Directors is in conformity with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Non-Executive Directors are professionals and have vast experience in the field of industry operations, accounts, finance, taxation, law, banking, administration, management and Research & Development, bringing a wide range of expertise and experience to the Board.

As required under the Listing Regulations, 2015, the Directors' Report includes the Report on "Management Discussion and Analysis" as Annexure 'B' to Directors' Report. The Board Members are presented with proper notes along with the Agenda papers 7 days in advance before the meeting. Information covering the matters listed as per Regulation 17 read with Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided to the Board as a part of Agenda papers.

The details of Directors on the Board of the Company during the Financial Year from April 01, 2016 to March 31, 2017 are given below:

Information on Board of Directors

Name of Director	Category / Designation	No. of Board Meetings held	Attendance (01.04.2016 to 31.03.2017)		No. of other Directorship in other Public Ltd Cos #	Chairmanship / Membership of Committees in other Public Ltd Cos. $		No. of Shares held by Non-Executive Directors	Remuneration paid / payable to Directors (₹ in Lakhs)			
			Board Meetings	Last AGM		Chairmanship	Membership		Sitting Fees	Salaries & Perquisites	Commission	Total
Mr. Chakor L. Doshi §	C – NED	5	5	Yes	1	0	0	55930*	-	-	-	-
Mr. Dilip J. Thakkar	I - NED	5	5	Yes	7	1	4	0	-	-	-	-
Dr. Anil Kakodkar	I - NED	5	5	Yes	1	0	0	0	-	-	-	-
Mr. G. N. Bajpai	I - NED	5	5	Yes	7	2	7	0	-	-	-	-
Mr. A. R. Gandhi	I - NED	5	5	Yes	3	1	1	0	-	-	-	-
Mrs. Bhavna Doshi	I - NED	5	3	No	9	5	3	0	-	-	-	-
Mr. G. K. Pillai	MD & CEO	5	5	Yes	0	0	0	N.A.	-	99.84	-	99.84
Mr. Chirag C. Doshi §	MD	5	5	Yes	1	0	1	N.A.	-	101.79	-	101.79

Notes: 1. "C-NED" Chairman – Non Executive Director "MD" Managing Director
"I-NED" Independent Non Executive Director "MD & CEO" Managing Director & Chief Executive Officer

2. The Board meets at least once in a quarter to review the quarterly performance and the financial results and other items on the agenda, which are distributed to all the Directors 7 days in advance except items of Agenda which are in the nature of Unpublished Price Sensitive Information are circulated 2 days in advance. During the Financial Year from April 01, 2016 to March 31, 2017, five Board Meetings were held on May 24, 2016; August 12, 2016; November 12, 2016; November 22, 2016 and January 30, 2017 and the maximum gap between the two Board meetings did not exceed 120 days.

3. During the Financial Year, the professional fees amounting to ₹ 1,60,000/- was paid to Mr. Chakor L. Doshi, Chairman in accordance with the approval granted by the Shareholders. There were no other pecuniary relationships or transactions of Non-Executive Directors with the Company.

4. The Directors in the Board Meeting held on March 15, 2016 decided that no Sitting Fees would be charged for attending Board and Committee Meetings in view of the current liquidity position of the Company.

Excludes Directorship in Private Limited Companies which are not subsidiaries of Public Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

$ Figures includes Committee positions in Audit Committee and Stakeholders Relationship Committee only.

§ Except Mr. Chirag C. Doshi, Managing Director, son of Mr. Chakor L. Doshi, Chairman, no other directors have any inter-se relationship with the other Directors of the Company.

*Includes 6680 of Chakor L. Doshi HUF

Details of familiarization programme for Independent Directors are available on the website of the Company and can be accessed through web link http://www.walchand.com/wp-content/uploads/2016/04/Familiarisation-programme-for-ID.pdf

Code of Conduct :

The Board adopted Revised Code of Conduct for all Board Members and Senior Management of the Company in the Board Meeting held on August 11, 2014. The said Code of Conduct is posted on the Website of the Company (www.walchand.com).

All Board members and Senior Management personnel have affirmed compliance with the Code on an annual basis and a declaration to this effect by Mr. G. K. Pillai, Managing Director and CEO is attached to this report.

CEO/CFO Certification:

As required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Managing Director & CEO of the Company have certified to the Board on the financial statements for the period ended March 31, 2017 and the same is attached to the Report.

(3) Audit Committee:

Terms of Reference:

The terms of reference of Audit Committee of the Company *inter-alia* includes the following:

1) oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2) Recommending to the Board the appointment, re-appointment, remuneration and terms of appointment of auditors of the Company.
3) Reviewing, with the management, the quarterly, half- yearly and annual financial statements before submission to the board for approval.
4) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
5) Review and monitor the auditor's independence and performance and effectiveness of audit process.
6) To approve transactions and subsequent modification(s) to the transactions of the company with related parties.
7) To scrutinize inter-corporate loans and investments of the Company.

Composition and Attendance at meetings:

The Audit Committee of the Board comprises of 3 Non-Executive Directors as on March 31, 2017 namely Mr. Dilip J. Thakkar, Dr. Anil Kakodkar, and Mr. Chakor L. Doshi, out of which two are independent Directors including Mr. Dilip J. Thakkar, the Chairman of the Audit Committee and the requirement of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied with. The Committee is authorized by the Board in the manner as envisaged under Regulation 18(2)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Committee has been assigned task as listed under Regulation 18 read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee reviews the information as listed under Regulation 18 read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Attendance of Directors at the Audit Committee Meeting held during the Financial Year under review:

Name of Director	No. of Meetings held	No. of Meetings attended
Mr. Dilip J. Thakkar	4	4
Dr. Anil Kakodkar	4	4
Mr. Chakor L. Doshi	4	4

Four Audit Committee Meetings were held during the Financial Year 2016-17 on May 24, 2016; August 12, 2016; November 12, 2016 and January 30, 2017.

The necessary quorum was present for all the meetings.

Mr. Dilip J. Thakkar, Chairman of the Audit Committee was present at the Annual General Meeting held on August 12, 2016.

Managing Director & CEO, Managing Director, Chief Financial Officer, Statutory Auditors and Chief Internal Auditor are the permanent invitee of the Audit Committee. Other members of the Senior Management have attended when invited to the meetings. The Cost Auditor is invited to attend the Meeting of the Audit Committee when the Cost Audit Report is placed before the Committee. Mr. G. S. Agrawal, Vice President (Legal & Taxation) & Company Secretary attended the meetings as Secretary of the Committee. All the members of the Audit Committee are financially literate and possess the requisite accounting and related financial management expertise.

(4) Nomination & Remuneration Committee:

Terms of Reference :

The terms of reference of Nomination & Remuneration Committee of the Company *inter-alia* includes the following:

a) To formulate a criteria for determining qualifications, positive attributes and independence of a Director.

b) To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.

c) Formulate criteria for evaluation of Independent Directors and the Board of Directors.

d) To devise a policy on Board diversity.

e) Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.

f) To recommend to the Board the appointment and removal of Directors and Senior Management.

g) To carry out evaluation of Director's performance and recommend to the Board appointment / removal based on his / her performance, against criteria laid down.

Composition and Attendance at meetings:

As on March 31, 2017, Nomination & Remuneration Committee comprises of Mr. Chakor L. Doshi and three Independent Directors viz., Mr. Dilip J. Thakkar, Mr. G. N. Bajpai and Dr. Anil Kakodkar. Mr. G. N. Bajpai is the Chairman of the Committee. Mr. G. S. Agrawal, Vice President (Legal & Taxation) & Company Secretary acts as Secretary to the Nomination & Remuneration Committee.

Attendance of Directors at the Nomination & Remuneration Committee Meeting held during the Financial Year under review :		
Name of Director	**No. of Meetings held**	**No. of Meetings attended**
Mr. G. N. Bajpai	1	1
Mr. Dilip J. Thakkar	1	1
Dr. Anil Kakodkar	1	1
Mr. Chakor L. Doshi	1	1

One Nomination & Remuneration Committee Meeting was held during the Financial Year 2016-17 on May 24, 2016.

Nomination & Remuneration Policy: The Nomination and Remuneration Committee in its meeting held on August 11, 2014, recommended the Nomination and Remuneration policy of the Company to the Board and the same was approved by the Board in its meeting held on August 11, 2014.

The Non-Executive Directors do not draw any remuneration from the Company except as mentioned in Item No. 2 above.

Details of remuneration paid to Executive Directors:

The details of remuneration paid / provided for Mr. G. K. Pillai for the Financial Year 2016-17 is as follows:

Amount paid / payable (₹ in Lakhs)

Details	**Mr. G. K. Pillai Managing Director & CEO**
Salary	87.04
Perquisites	12.80
Contribution to P.F. and Superannuation	--
Gratuity	--
Commission	--
Total	**99.84**

The additional information in respect of Mr. G. K. Pillai, Managing Director & CEO is as under:

Service Contract : Five years / Three years.
Notice Period : Six Months.
Severance fees : Not Applicable.
Stock options : Not Applicable.

The details of remuneration paid/provided for Mr. Chirag C. Doshi for the Financial Year 2016-17 is as follows:

Amount paid / payable (₹ in Lakhs)

Details	**Mr. Chirag C. Doshi Managing Director**
Salary	67.80
Perquisites	18.72
Contribution to P.F. and Superannuation	12.96
Gratuity	2.31
Commission	--
Total	**101.79**

The additional information in respect of Mr. Chirag C. Doshi, Managing Director is as under:

Service Contract : Five years / Three years.
Notice Period : Six Months.
Severance fees : Not Applicable.
Stock options : Not Applicable.

(5) Stakeholders Relationship Committee:

Stakeholders Relationship Committee comprises of 3 Non-Executive Directors namely Mr. Chakor L. Doshi, Dr. Anil Kakodkar and Mr. Dilip J. Thakkar and Dr. Anil Kakodkar is the Chairman of the Committee. The composition of the Committee meets the requirement of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. G. S. Agrawal, Vice President (Legal & Taxation) & Company Secretary and Compliance Officer acts as a Secretary of the Committee Meeting. The Committee is authorised to redress the Shareholder's and Investor's Complaints.

During the Financial Year 2016-17, 8 complaints were received from shareholders and were resolved as per details given hereunder:

Sr. No.	Nature of query / Complaint	Pending as on 01.04.16	Received during the Financial Year	Redressed during the period	Pending as on 31.03.17
1	Non Receipt of Dividend / Interest/ Redemption Warrant	0	8	8	0
2	Non Receipt of Annual Report	0	0	0	0
	TOTAL	**0**	**8**	**8**	**0**

Attendance of Directors at the Stakeholders Relationship Committee Meeting held during the Financial Year 2016-17 is as under:		
Name of Director	**No. of Meetings held**	**No. of Meetings attended**
Dr. Anil Kakodkar	1	1
Mr. Dilip J. Thakkar	1	1
Mr. Chakor L. Doshi	1	1

During the Financial Year 2016-17 under review, one Stakeholders Relationship Committee Meeting was held on May 24, 2016. The necessary quorum was present at the meeting. Mr. G. S. Agrawal, Vice President (Legal & Taxation) & Company Secretary attended the meeting as Secretary of the Committee.

(6) Share Transfer Matters:

In order to ensure prompt service to Shareholders, the Board of Directors has given authority to Managing Director & CEO and Managing Director of the Company together with Link Intime India Pvt. Ltd., the Registrar & Share Transfer Agent of the Company to approve matters concerning share transfer / transmission, consolidation of shares etc. and all other functions as delegated to Stakeholders Relationship Committee except replacement of lost / stolen / mutilated share certificates which is only approved by the Board of Directors of the Company.

In addition to above committees, the Board has constituted six more committees namely; Risk Management Committee, Finance Committee, Corporate Social Responsibility Committee, Committee of Independent Directors, Allotment Committee and Committee of Directors for Capital Issue. The composition, functions and attendance of members of the Committees are listed below:

(7) Risk Management Committee :

Risk Management Committee comprises of senior executives of the company namely Mr. G. K. Pillai, Mr. Chirag C. Doshi and Mr. Shree B. Pathak. Mr. G. S. Agrawal, Vice President (Legal & Taxation) & Company Secretary acts as Secretary of the Committee. As per Regulation 21 (5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 constitution of Risk Management Committee is applicable to top 100 listed entities, determined on the basis of market capitalization, as at the end of the immediately previous financial year. Hence, it is not mandatory for our Company to constitute Risk Management Committee. However, the Company has voluntarily constituted the Committee and the composition of the Committee meets the requirement of the Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Managing Director & CEO, is responsible for defining, implementing and review of risk management processes within WIL. The Committee provides updates to the Board on a quarterly basis on key risks faced by the company and the relevant mitigation actions. Risk Management policy has been approved by the Board in the Meeting held on August 14, 2015 wherein all material Risks faced by the Company were identified and assessed. For each of the risks identified, corresponding controls were assessed and policies and procedures were put in place for monitoring, mitigating and reporting risk on a periodic basis.

During the Financial Year 2016-17 under review, no Risk Committee Meeting was held.

(8) Finance Committee:

The Board of Directors formed Finance Committee to consider and approve borrowing proposals referred / delegated to it by the Board. During the financial year 2010-2011, the powers and responsibilities of Finance Committee were extended in respect of (i) Opening of new Bank Accounts and/or Closure of the Bank Accounts;(ii) Authorizing executives of the company to operate the bank accounts; (iii) Revision in Authorized Signatories to operate existing Bank Accounts of the company; (iv) Availing Internet Banking facilities including e-commerce and/or closure of Internet banking facilities, authorizing executives of the company to operate the said facilities and revision in authorized signatories for operating the said facilities; (v) Authorizing executives of the Company for dealing in Forward Contracts on behalf of the Company and authorize the executives for executing the documents under Common Seal of the Company for availing the said facilities, from time to time. The Committee comprises of three Directors viz. Mr. Chakor L. Doshi, Mr. Dilip J. Thakkar and Mr. G. N. Bajpai. Mr. Dilip J. Thakkar is the Chairman of the Committee. During the Financial Year 2016-17 under review, two meetings of Finance Committee were held on October 13, 2016 and January 30, 2017.

Attendance of Directors at the Finance Committee Meeting held during the Financial Year are as under:		
Name of Director	**No. of Meetings held**	**No. of Meetings attended**
Mr. Dilip J. Thakkar	2	2
Mr. G. N. Bajpai	2	2
Mr. Chakor L. Doshi	2	2

Mr. G. S. Agrawal, Vice President (Legal & Taxation) & Company Secretary attended the meeting as Secretary of the Committee.

(9) Corporate Social Responsibility Committee:

During the Year 2013-2014, the Board has constituted a CSR Committee with the following terms of reference:

(a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII;

(b) To recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and

(c) To monitor the Corporate Social Responsibility Policy of the company from time to time.

The members of the CSR Committee are Mrs. Bhavna Doshi, Mr. G. K. Pillai and Mr. Chirag C. Doshi. Mrs. Bhavna Doshi is the Chairperson of the Committee.

During the Financial Year 2016-17 under review, no meeting of the Corporate Social Responsibility was held.

(10) Committee of Independent Directors:

Independent Directors Committee has been constituted as per the provisions of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the Financial Year 2016-17, the Independent Directors Meeting of the Company was held on January 30, 2017.

Independent Directors Meeting considered the performance of Non-Independent Directors and the Board as whole, reviewed the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

Attendance of Directors at the Independent Directors Committee Meeting held during the Financial Year 2016-17 is as under:-		
Name of Director	**No. of Meetings held**	**No. of Meetings attended**
Mr. Dilip J. Thakkar	1	1
Dr. Anil Kakodkar	1	1
Mr. G. N. Bajpai	1	1
Mr. A. R. Gandhi	1	1
Mrs. Bhavna Doshi	1	1

(11) Allotment Committee:

The Board of Directors constituted Allotment Committee for the purpose of allotment of equity shares on conversion of warrants to specified allottees as approved by the shareholders by passing Special Resolution.

The Committee comprises of three Directors viz. Mr. Dilip J. Thakkar, Mr. G. N. Bajpai and Mr. Chakor L. Doshi. Mr. Dilip J. Thakkar is Chairman of the Committee. During the Financial Year 2016-17 under review, no meeting of the Allotment Committee was held.

During the Financial Year under review, the Shareholders through Postal Ballot authorized Board of Directors of the Company through its Allotment Committee to make Allotment of NCDs and deal with all related matters.

(12) Committee of Directors for Capital Issue:

The Board of Directors had constituted 'Committee of Directors for Capital Issue' ('Committee') with regard to create, offer, issue and allot in one or more tranch(es), in one or more foreign markets or domestic markets, to persons and entities whether such persons and/or entities are shareholders of the Company or not, including to Qualified Institutional Buyers, as defined in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as may be amended from time to time, ("SEBI Regulations"), (collectively "Investors").

It comprises of three Directors viz. Mr. Chakor L. Doshi, Mr. Dilip J. Thakkar and Mr. G. N. Bajpai. Mr. G. N. Bajpai is the Chairman of the Committee. During the Financial Year 2016-17 under review, no meeting of the Committee of Directors for Capital Issue was held.

During the Financial Year under review, the Shareholders through Postal Ballot authorized Board of Directors of the Company, through Committee of Directors for Capital Issue to determine the terms of issue including the class of investors to whom NCDs are to be issued, time, securities to be offered, the number of NCDs, tranches, issue price, tenor, interest rate,premium/ discount and to do all such acts and things and deal with all such matters and take all such steps as may be necessary and to sign and execute any deeds/ documents/ undertakings/ agreements/ papers/ writings, as may be required for subscription of Non-Convertible Debentures up to an aggregate amount of INR 150 Crores (Rupees One Hundred and Fifty Crores only) on a Private Placement basis.

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(13) General Body meetings:

i. Location and time, where last three AGMs held:

Year	Venue	Date	Time
October 2012-September 2013	Walchand Hirachand Hall, IMC Building, Churchgate, Mumbai – 400 020	28.01.2014	03.30 p.m.
October 2013-September 2014	Walchand Hirachand Hall, IMC Building, Churchgate, Mumbai – 400 020	13.02.2015	04.00 p.m.
October 2014-March 2016	Walchand Hirachand Hall, IMC Building, Churchgate, Mumbai – 400 020	12.08.2016	04.00 p.m.

ii. Location and time, where Extra Ordinary General Meetings were held in last three years - No Extra Ordinary General Meeting was held during the last 3 Years period.

iii. (A) Special resolutions passed in the previous three AGMs:

- October 2012-September 2013

  a) Resolution Number 9, Resolution to accord consent of the Shareholders of the Company for waiver of excess remuneration paid to Mr. Chirag C. Doshi, Managing Director of the Company for F.Y. 2012-13 in case of loss or inadequate profit during the year.

  b) Resolution Number 10, Resolution to accord consent of the Shareholders of the Company for the payment of Minimum Remuneration to Mr. Chirag C. Doshi, Managing Director of the Company in case of loss or inadequate profit during the term of his appointment commencing from 1st October, 2013 till 24th November, 2017.

- October 2013-September 2014

  a) Resolution Number 10, Resolution under Section 197 of the Companies Act, 2013, read with Schedule V to accord consent of the Shareholders of the Company for the payment of same remuneration to Mr. Chirag C. Doshi, Managing Director of the Company for the period from April 01, 2014 to March 31, 2017.

  b) Resolution Number 11, Resolution under Section 197 of the Companies Act, 2013, read with Schedule V to accord consent of the Shareholders of the Company for the payment of same remuneration to Mr. G. K. Pillai, Managing Director & Chief Executive Officer of the Company for the period from April 01, 2014 to March 31, 2017.

  c) Resolution Number 12, Resolution under Section 14 of the Companies Act, 2013 to amend Articles of Association (AoA) of the Company.

- October 2014-March 2016 – No Special resolution was passed in the AGM held on August 12, 2016 for the period October 2014-March 2016

All resolutions including special resolutions were passed by the members of the Company.

(B) Special resolution passed through Postal Ballot, the person who conducted the postal ballot exercise and details of the Voting Pattern:

The Company sent Postal Ballot notice dated December 09, 2016 to the members seeking their approval through postal ballot for passing the following resolution:

Resolution No 1: To approve an offer or invitation for subscription of Non-Convertible Debentures up to an aggregate amount of INR 150 Crores (Rupees One Hundred and Fifty Crores only) on a Private Placement basis.

M/s. V. N. Deodhar & Co., Company Secretaries were appointed as the Scrutinizer for conducting the postal ballot process. Accordingly, the postal ballot was conducted by the Scrutinizer and a report submitted to the Company.

Mr. Chirag C. Doshi, Managing Director announced the postal ballot result on January 25, 2017 at 21, Walchand Terraces, Tardeo Road, Mumbai – 400 034 that the Special Resolution No. 1 was duly approved by the Shareholders with requisite majority.

(C) Details of Special Resolution proposed to be conducted through Postal Ballot:

No Special Resolution is proposed to be conducted through postal ballot at the AGM scheduled to be held on 09-08-2017.

(14) Means of Communication:

The Company recognizes the importance of two way communication with shareholders and of giving a balanced reporting of results and progress and responds to questions and issues raised in timely and consistent manner. Shareholders seeking information may contact the Company directly throughout the year.

i) Quarterly, Half Yearly and Annual Results are published in All India Edition of Financial Express in English & Mumbai Lakshadeep in Marathi News papers from Mumbai.

ii) The quarterly, half yearly and annual results, shareholding pattern, Corporate Governance Report and other compliances are also posted on the website of the Company (www.walchand.com). The Shareholding Pattern, Corporate Governance Report, Quarterly, Half Yearly and Annual Results and other compliances are also filed electronically on NSE Electronic Application Processing System (NEAPS), web based application designed for corporate at https://www.connect2nse.com/LISTING/ and on BSE Online Portal - BSE Corporate Compliance & Listing Centre (the "Listing Centre") at http://listing.bseindia.com/.

iii) Green Initiative:

In support of the "Green Initiative" undertaken by Ministry of Corporate Affairs, the Company have started sending various communications including the Annual Report, intimation of dividend, postal Ballot by email to those shareholders whose email addresses were made available to the depositories or the Registrar and Transfer Agent since Financial Year 2013-14 and continuing the same. Physical copies are being sent to only those shareholders whose email addresses are not available and for the bounced email cases and who have specifically requested for the same.

As a responsible citizen, your Company strongly urges you to support the Green Initiative by registering/updating your email addresses with the Depositories Participants or the Registrar and Transfer Agent for receiving soft copies of various communications including the Annual Report.

iv) The Company has designated investors@walchand.com as an email id for the purpose of registering complaints by investors and displayed the same on the Company's website.

v) "Management Discussion and Analysis" is given as Annexure 'B' to the Directors' Report.

vi) No presentations were made to institutional investors or to the analysts during the year.

vii) SCORES is a system implemented by SEBI which enables investors to lodge their complaints electronically on the SEBI website. The investor complaints are processed in a centralized web based complaints redressal system. The salient features of this system are Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

(15) General Shareholder information:

i)	AGM : Date, Time & Venue	:	August 09, 2017 at 4.00 p.m. Walchand Hirachand Hall, Indian Merchants' Chambers Building, Churchgate, Mumbai – 400 020
ii)	Financial Year	:	April - March The results for every Quarter are declared within 45 days from the end of the Quarter except for the last Quarter, for which Annual Audited Results are declared within the period of 60 days from the end of the Quarter as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
iii)	Date of Book Closure	:	N. A. for this year
iv)	Dividend payment date	:	N. A.

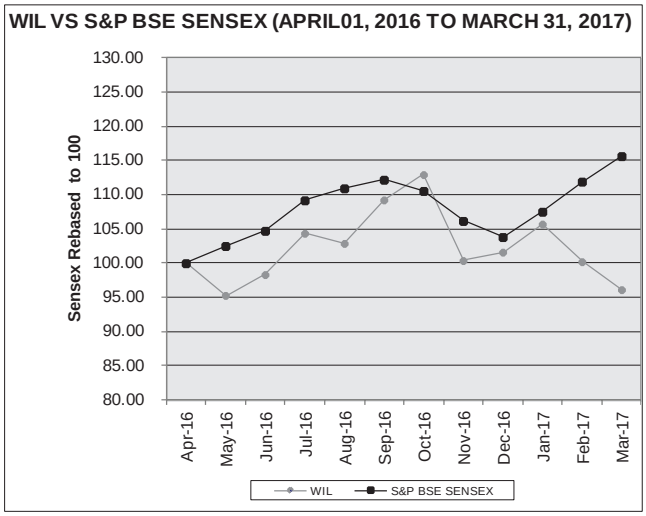
v)	Listing on Stock Exchanges	:	BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. Tel.: 022 - 22721233 National Stock Exchange of India Ltd. Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East) Mumbai 400 051. The Listing fees for the year 2017-2018 have been paid to both the Stock Exchanges
vi)	Stock Code	:	507410 (BSE) and WALCHANNAG (NSE)
vii)	Market Price Data : High, Low during each month in last financial year	:	BSE/NSE

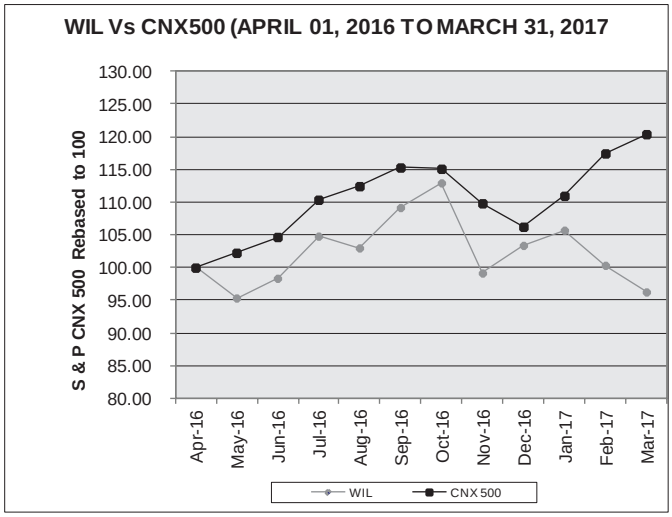
(Amount in ₹)

Month	BSE		S&P BSE SENSEX	NSE		CNX-500
	High	Low	Closing	High	Low	Closing
Apr-16	156.5	141	25606.62	156.70	140.50	6588.55
May-16	152.4	131.1	26667.96	152.45	130.95	6804.00
Jun-16	160.35	132.2	26999.72	160.65	131.70	6980.80
Jul-16	165.5	145	28051.86	166.00	145.50	7330.00
Aug-16	160	146.1	28452.17	159.80	146.35	7490.65
Sep-16	174.9	150.1	27865.96	174.50	150.00	7394.85
Oct-16	177	159	27930.21	176.70	159.00	7501.45
Nov-16	166.75	131.9	26652.81	166.80	127.95	7079.40
Dec-16	163	139.3	26626.46	165.30	142.00	6982.80
Jan-17	169.5	145	27655.96	169.65	144.55	7379.30
Feb-17	156.65	141.5	28743.32	156.85	141.40	7709.10
Mar-17	150.5	135.5	29620.5	150.90	135.25	7995.05

viii) Performance in comparison to S&P BSE SENSEX and CNX-500

The Chart shows the performance of the Company's Shares at BSE and NSE as compared to BSE SENSEX and S & P CNX - 500 during the Financial Year 2016 - 2017:





ix) Registrar and Share Transfer Agent : M/s. Link Intime India Pvt. Ltd.
Unit: Walchandnagar Industries Ltd.,
C 101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai - 400 083.
Ph. No.: (022) 49186270; Fax No.: (022) 49186060
e-mail id: rnt.helpdesk@linkintime.co.in

x) Share Transfer System : Shareholders are permitted to hold shares in Physical form or in Demat Form. In case of shares held in Physical form, shareholders are informed to lodge the shares for transfer purpose to the Registrars and Share Transfer Agents and the Company is taking care to ensure that share transfer work gets completed as early as possible and not later than 15 days period. The transfers are being approved once in a week. In case the shares are transferred through Demat mode, the procedure is adopted as stated in Depositories Act, 1996.

xi) (a) Shareholding Pattern as on March 31, 2017 :

Category	No. of Shares	%
Promoters & Directors, Directors Relatives/HUF & Group Companies/ Group Trusts	20938613	55.00
Mutual Funds & Unit Trust of India	424935	1.17
Banks, Financial Institutions, State Government	125438	0.33
Insurance Companies	1379988	3.62
Bodies Corporate & Clearing Members	1783976	4.69
NRI/OCB/FII/FN/FPI	542039	1.42
Public (Resident Indians / Trusts/ HUF)	12875216	33.82
Total	**38070205**	**100.00**

(b) Distribution of shareholding as on March 31, 2017 :

Shareholding of nominal value of ₹	Number of Shareholders	% to Total	Amount in ₹	% to Total
1 to 5000	70059	99.63	23057038	30.28
5001 to 10000	143	0.20	2048070	2.69
10001 to 20000	65	0.09	1826686	2.40
20001 to 30000	22	0.03	1117678	1.47
30001 to 40000	12	0.02	833760	1.10
40001 to 50000	4	0.00	360062	0.47
50001 to 100000	6	0.01	840354	1.10
100001 to onwards	11	0.02	46056762	60.49
TOTAL	**70322**	**100.00**	**76140410**	**100.00**

xii) Dematerialisation of Shares and Liquidity : As stated earlier, the Company's shares are listed on the Stock Exchanges. As per the SEBI notifications, trading in Company's shares has been made compulsorily in Dematerialised form w.e.f. 26th December, 2000 and Company's Registrar & Transfer Agents have connectivity with NSDL & CDSL. The ISIN No. is INE711A01022. As on March 31, 2017, 37,051,044 equity shares representing 97.32% of the total shares have been Dematerialised. The members holding shares in physical form are requested to get the shares converted into demat form as per the prescribed procedure. The shares of the Company are traded in the "B" group.

xiii) Outstanding GDRs / ADRs / Warrants or any other Convertible Instruments, Conversion date and likely impact on equity : No instrument is outstanding for allotment or conversion.

xiv) Plant Locations : The Company currently has 3 plants located as follows :

1. Walchandnagar, Dist. Pune, Maharashtra
2. Satara Road, Dist. Satara, Maharashtra
3. Attikola Dharwad, Karnataka

xv) Address for correspondence

a) For Correspondence relating to shares : M/s. Link Intime India Pvt. Ltd.
Unit: Walchandnagar Industries Ltd.,
C 101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai - 400 083.
Ph. No.: (022) 49186270; Fax No.: (022) 49186060
e-mail id: rnt.helpdesk@linkintime.co.in

b) For other matters (At Company's registered Office) : Walchandnagar Industries Ltd.
3, Walchand Terraces
Tardeo Road, Mumbai - 400 034
Ph. No.: (022) 40287104/110
Fax No.: (022) 23634527
Email: investors@walchand.com; gsagrawal@walchand.com

xvi) National ECS Facility : As per RBI notification, with effect from October 1, 2009 the remittance of money through ECS is replaced by National Electronic Clearing Services (NECS) and banks have been instructed to move to the NECS platform.

NECS essentially operates on the new and unique bank account number, allotted by banks post implementation of Core Banking Solution (CBS) for centralized processing of inward instructions and efficiency in handling bulk transaction.

In this regard, shareholders holding shares in electronic form are requested to furnish Bank Account Number allotted to you by your bank along with photocopy of a cheque pertaining to the concerned account, to your Depository Participant (DP). Please send these details to the Company/ Registrars, if the shares are held in physical form, immediately.

If your bank particulars have changed for any reason, please arrange to register the NECS with the revised bank particulars.

The Company will use the NECS mandate for remittance of dividend either through NECS or other electronic modes failing which the bank details available with Depository Participant will be printed on the dividend warrant. All the arrangements are subject to RBI guidelines, issued from time to time.

xvii) Unclaimed Dividends : Under the Companies Act, 1956, Dividends that are unclaimed for a period of seven years is required to be transferred to the Investor Education and Protection Fund administered by the Central Government. After completion of seven years, no claims shall lie against the said Fund or the Company for the amounts of Dividend so transferred nor shall any payment be made in respect of such claims.

Separate intimation has been given in the notice convening 108th Annual General Meeting, a part of this 108th Annual Report. Members are requested to utilize this opportunity and get in touch with Company's Registrar and Share Transfer Agent, M/s. Link Intime India Pvt. Ltd., C 101, 247 Park, L. B. S. Marg, Vikhroli West, Mumbai 400 083 for encashing the unclaimed Dividend for the financial year 2009-2010 and for subsequent years standing to the credit of their account.

The details of Unclaimed amount of Dividend are now available on the website of the Company.

xviii)	Transfer of underlying shares into Investor Education and Protection Fund (IEPF) in cases where Unclaimed Dividends have been transferred to IEPF for a consecutive period of 7 years	:	In terms of Section 125 (6) of the Companies Act, 2013 read with Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is required to transfer the shares in respect of which Dividends have remained unclaimed for a period of 7 consecutive years to the IEPF Account established by the Central Government. As required under the said Rules, the Company has published a notice in the newspapers inviting the Members attention to the aforesaid rules. The Company has also sent out individual communication to the Members in this regard.
xix)	Unclaimed Equity Shares	:	Members are hereby informed that as per Regulation 39(4) read with Schedule VI of the SEBI Regulations, shares held physically which may have remained unclaimed by shareholders due to insufficient/incorrect information or for any other reason should be transferred in demat mode to one folio in the name of "Unclaimed Suspense Account" with one of the Depository Participants. The Company has transferred the balance of unclaimed shares to the Unclaimed Suspense Account.
xx)	Company Website	:	The Company has its website namely www.walchand.com. The website provides detailed information about the Company, its products and services offered, locations of its corporate offices and various sales offices etc. The Quarterly Results, Annual Reports, Shareholding patterns, Corporate Governance Report and other communications are updated on the website of the Company.
xxi)	Prevention of Insider Trading	:	In accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has instituted a comprehensive Code of Conduct for Prohibition of Insider Trading in the Company's Shares.

(16) Disclosures:

i) *Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature with its Promoters, Directors or the Management, their Subsidiaries or Relatives, etc. that may have potential conflict with the interests of the Company at large:*

The Audit Committee and the Board consider periodically the statement of related party transactions in detail together with the basis at their meetings and grand their approval. However, these transactions are not likely to have any conflict with the interest of the Company and are not materially significant.

As required by the Accounting Standards AS-18, the details of related party transactions are given in Note No. 30 to the notes on financial statements for the Financial Year 2016-17, forming part of Accounts.

ii) *Management Disclosures :*

The Senior Management personnel have made disclosures to the Board relating to all material financial and commercial transactions, if any, where they may have personal interest that may have a potential conflict with the interest of the Company at large. Based on the disclosures received, none of the Senior Management personnel has entered into any such transactions during the year.

iii) *Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchanges or SEBI, or any Statutory Authorities, on any matter related to Capital markets during last three years:*

The Company is holding 600 shares in Bombay Cycle & Motor Agency Limited (BCMA), Group Company in Promoter category. Adjudicating Officer has passed an order dated December 22, 2015 under section 15-I of Securities and Exchange Board of India Act, 1992 Read with Rule 5 of SEBI (Procedure for holding inquiry and imposing penalties by adjudicating officer) Rules, 1995, against all promoter entities of BCMA, with reference to purchase of shares of BCMA by Walchand Kamdhenu Commercials Pvt. Ltd. The Company have filed an appeal before Securities Appellate Tribunal (SAT) against the said order.

iv) *Vigil Mechanism / Whistle Blower Policy :*

The Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated a Whistle Blower Policy to report genuine concerns or grievances. Protected disclosures can be made by a whistle blower through an e-mail, or telephone line or a letter to the Chairman of the Audit Committee or the Company Secretary of the Company or any member of the Audit Committee. The Policy on vigil mechanism /whistle blower policy may be accessed on the Company's website at the link http://www.walchand.com/wp-content/uploads/2015/01/Whistleblower-Policy.pdf.

No personnel of the Company has been denied access to the Audit Committee.

v) *Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause*

The Company is in Compliance with all mandatory requirements of Listing Regulations. In addition Company has also adopted the following Non-mandatory requirements to the extent mentioned below:

A) **Separate posts of Chairman & CEO :** The positions of the Chairman and the CEO are separate. The Company maintains office at the Company's expenses for Non-Executive Chairman.

B) **Audit Qualifications :** Company's Financial Statements are unqualified.

vi) The Company's policy in dealing with Related Party Transactions is placed on the website and can be accessed through weblink http://www.walchand.com/wp-content/uploads/2015/01/Related-Party-Transaction-Policy.pdf.

vii) *Corporate Identity Number (CIN)*

The Corporate Identity Number of the Company allotted by the Ministry of Corporate Affairs, Government of India is L74999MH1908PLC000291.

viii) *Compliance Certificate from Auditors on Corporate Governance*

Certificate from Statutory auditors M/s. K. S. Aiyar & Co, Chartered Accountants confirming compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this Report.

ix) *Reconciliation of Share Capital Audit report (formerly known as Secretarial Audit Report) and Certificate of Compliance with Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015*

The SEBI vide Circular No. CIR/MRD/DP/30/2010 dated 6th September, 2010 has modified the terminology of 'Secretarial Audit', as **'Reconciliation of Share Capital Audit'**. A qualified Practicing Company Secretary has carried out secretarial audit to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and total issued and listed capital. The 'Reconciliation of Share Capital Audit' (formerly known as Secretarial Audit Report) confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of Dematerialized shares held with NSDL and CDSL. The audit is carried out by M/s. V. N. Deodhar & Co., Practicing Company Secretaries every quarter and report thereon is submitted to the Stock Exchanges along with half yearly Compliance Certificate as per Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and placed before the Board of Directors.

DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT

Compliance of Code of Conduct for Directors and Senior Management Personnel pursuant to amended provision of Regulation 17 (5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company on March 01, 2005 and the same has been revised in the Board Meeting held on August 11, 2014. The Code of Conduct was also posted on the Website of the Company.

All the Board Members and Senior Management Personnel affirmed that they have complied with the said Code of Conduct on an annual basis in respect of the Financial Year ended March 31, 2017.

G. K. Pillai
Managing Director & CEO

Date: May 26, 2017

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Walchandnagar Industries Limited

We have examined the compliance of conditions of Corporate Governance as stipulated at Para C of Schedule V in terms of regulations 34(3) and 53(f) of the Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 (the 'Regulations') and the listing agreement of **Walchandnagar Industries Limited** with the stock exchanges for the year ended March 31, 2017.

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 the 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 the above mentioned Regulations.

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.

For K. S. Aiyar & Co.,
Chartered Accountants
Registration No: 100186W

Satish Kelkar
Partner
Membership No.: 38934

Place: Mumbai
Date: May 26, 2017.

ANNEXURE 'D' TO THE DIRECTORS' REPORT (CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO):

(A) CONSERVATION OF ENERGY

(a) **Energy Conservation Measures Taken:**

1 Maintained unity PF by Close monitoring & controlling, repair / replacement of faulty capacitors and controllers- obtained incentive from MSEDCL.

2 Replacement of 400W mercury vapuor lamps and 250W Metal Halide lamps in the plant with 100W LED lamps and 400W Metal Halide lamps in the plant with 150W LED lamps, Replacement of 36W tube lights in the plant office with 14W LED tube lights.

3 Reduction In heat loss, improvement in efficiency of Pricon Furnace-Reconditioning of Pricon Furnace done;insulation & coils replaced. Heat loss reduced, improvement in uniformity of temperature.

4 Reduction In heat loss, improvement in efficiency of Westerwork Furnace-Reconditioning of Westerwork Furnace done;insulation & coils replaceds.

(b) **Energy Conservation Measures Proposed:**

(1) Use of green oil in place of LDO in furnaces.

(2) Opting for open access of electricity, Study of eligibility is in progress.

(3) By using solar power, study of feasibility of the project is in progress.

(B) TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT

(1) Specific areas in which R & D has been carried out by the Company:

Automation of welding for Aerospace products.

Automation of welding for Boiler products.

Narrow groove welding for Nuclear products.

(2) Benefits derived as a result of R&D:

Improvement in quality and reduction in cycle time for Aerospace and Nuclear jobs.

(3) Future Plan of Action

Develop the processes for critical equipments for Aerospace and Nuclear jobs for improving productivity.

Expenditure on R&D

	₹ in Lakhs
Capital (Development Expenditure)	0.00
Recurring	5.98
Total	5.98
Total R&D Expenditure	
Percentage to turnover (%)	0.015

(4) Imported technology (imported during last 5 years reckoned from the beginning of the financial year):

(i) (a) Earthtechnica Co. Ltd. Tokyo, Japan

(b) Year of collaboration : 2011-12

(c) We have already started getting enquires for super breaker for lime stone crushing and parts thereof.

(5) Technology absorption, adaptation and innovations:

(1) **Efforts in brief made towards technology absorptions:**

- Continuous monitoring of technology trends.
- Continuous interaction & exchange of information.
- Deputing engineers abroad for interaction & exchange of information.
- Development efforts for technology adaptations in new Areas including stategic sector.

(2) **Benefits derived as a result of above efforts:**

- Improvement in manufacturing methods and quality standards.
- Enhancing engineering skills.
- Development of energy efficient, cost effective & high performance engineering products.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign exchange used and earned:

Earnings in Foreign Exchange ₹ 3781.61 Lakhs.
Foreign Exchange Outgo ₹ 1176.13 Lakhs.

ANNEXURE 'E' TO DIRECTORS REPORT

Statement of Disclosure of Remuneration under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

(i) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary during the Financial Year from April 01, 2016 to March 31, 2017, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year from April 01, 2016 to March 31, 2017, and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director / KMP for the Financial Year 2016-17	Remuneration of Director / KMP for the Financial Year 2016-17	% increase in Remuneration	Ratio of Remuneration of each Director to the median remuneration of employees $
(i)	(ii)	(iii)	(iv)	(v)
1.	Mr. G. K. Pillai Managing Director & CEO	9,983,592	*	31.49:1
2.	Mr. Chirag C. Doshi Managing Director	10,178,893	*	32.11.1
3.	Mr. Vivek Jain Chief Financial Officer	2,561,529 @	#	-
4.	Mr. G. S. Agrawal Vice President (Legal & Taxation) & Company Secretary	2,679,937	#	-

* The terms of remuneration remains same as approved by the Members of the Company hence there is no increase in the remuneration.

There is no increase in the remuneration during the year under review.

@ Remuneration is for the period from 18-7-2016 to 31-03-2017.

ii) The median remuneration of employees of the Company during the Financial Year 2016-17 was ₹ 3.17 lakh p.a.;

iii) In the Financial Year, there was an increase of 16.54% in the median remuneration of employees;

iv) There were 1238 permanent employees on the rolls of Company as on March 31, 2017;

v) **Relationship between average increase in remuneration and Company performance:-** The reward philosophy of the company is to provide market competitive Remuneration. Every year the salary increase is decided on the basis of a benchmarking exercise. Variable Compensation is part of the package for senior employees and is linked with individual performance. During the Year under consideration remuneration of employees was increased in exception cases only due to loss in the current year.

vi) **Comparison of the Remuneration of the Key Managerial Personnel(s) against the performance of the Company:** Company's reward philosophy of its Employees including Key Managerial Personnel are directly linked to the individual performance as well as that of the Company. Due to loss in the current financial year the Key Managerial Personnel are not entitled for Commission and Performance linked reward are also paid as per the policy of the Company which is also linked with the profitability of the Company. Hence, the minimum remuneration as approved by shareholders in case of MD & CEO and MD is paid and for other KMPs the remuneration as approved by the Nomination & Remuneration Committee is paid and no increase in Remuneration was done during the Financial Year.

vii) a) **Variations in the market capitalisation of the Company:** The market capitalisation as on March 31, 2017 was ₹ 54154.87 Lakhs (₹ 56305.83 Lakhs as on March 31, 2016).

b) Price Earnings ratio of the Company was -8.43 as at March 31, 2017 (for a period of 12 months) and was -7.85 as at March 31, 2016 (for a period of 18 months).

c) The closing share price of the Company at BSE Limited and National Stock Exchange of India Ltd. as on March 31,2017, was ₹ 142.25 per equity share and ₹ 142.30 per equity share, of face value of ₹ 2/- each

viii) **Average percentile increase made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration:** The aggregate remuneration of employees excluding Whole time Directors (WTD) and other Key Managerial Personnel (KMP) remained largely stable for the current year over the previous fiscal based on 12 months average basis due to rationalization of our manpower during the Financial Year. Further there was no increase in the remuneration of WTD and remains same as approved by the Shareholders as minimum remuneration in case of loss. Similarly, there was no increase in the remuneration of other KMPs due to loss in the Financial Year.

ix) **The key parameters for the variable component of remuneration availed by the Directors:** In view of loss no commission which is linked with profit is paid for the Year.

x) **The ratio of the remuneration of the highest paid Director to that of the Employees who are not Directors but receive remuneration in excess of the highest paid Director during the year:** Not Applicable

xi) It is hereby affirmed that the remuneration paid is as per the Nomination & Remuneration Policy for Directors, Key Managerial Personnel and other Employees of the Company.

ANNEXURE 'F' TO DIRECTORS REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2017

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

To,
The Members,
Walchandnagar Industries Limited
3 Walchand Terraces, Tardeo Road,
Mumbai – 400034

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Walchandnagar Industries Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Walchandnagar Industries Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31s March, 2017 has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Walchandnagar Industries Limited ("the Company") for the financial year ended on 31st March, 2017 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company during the Audit period)**,

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the Company during the Audit period)**,

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit period)**,

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit period)**;

  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations,1998; and

  (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. The management has identified and confirmed the following laws as specifically applicable to the Company:

a) The Indian Boiler Act, 1923

b) The Explosives Act, 1884

c) The Environment (Protection) Act, 1986

d) The Water (Prevention and Control of Pollution) Act, 1974

e) The Air (Prevention and Control of Pollution) Act, 1981

We have been informed that the compliance of the above laws is monitored on monthly basis by the Compliance officer/ Manager –Internal Audit and necessary action is initiated for non-compliance, if any. Additionally, we have been informed that a status report signed by the Managing Director & CEO, Chief Financial Officer and the Compliance Officer/Manager-Internal Audit on compliance of various statues is submitted to the Board at its every meeting.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange and National Stock Exchange in respect of Issue and Listing of Securities;

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, except price sensitive information which was sent 2 days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committee of the Board as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and its operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **V.N. DEODHAR & CO.,**

V.N. DEODHAR
PROP.
FCS NO.1880
C.P. No. 898

Place: Mumbai
Date: May 26, 2017.

CERTIFICATE BY CHIEF EXECUTIVE OFFICER / CHIEF FINANCIAL OFFICER IN TERMS OF REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

In terms of Regulation 17(8) OF SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is certified as under that:

(a) We have reviewed financial statements for the quarter / year ended March 31, 2017 and that to the best of our knowledge and belief:

(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) these statements together present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

(b) To the best of our knowledge and belief, no transactions entered into by the company during the year which is fraudulent, illegal or violative of company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for the financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to the financial reporting and that no material deficiencies in the design or operation of internal controls were observed in the year ended March 31, 2017.

(d) We have indicated to the auditors and the Audit Committee:

(i) There has not been any significant change in internal control over financial reporting during the year under reference.

(ii) pursuant to Companies Act, 2013 the company has recomputed the depreciation based on the useful life of the assets as prescribed under schedule II of the Act except this there has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements and

iii) No instances of Significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting were reported in the year ended March 31, 2017.

This Certificate is given by the undersigned with full knowledge that on its faith and strength, full reliance is placed by the Board of Directors of the Company.

Sd/-	**Sd/-**
G.K. PILLAI MANAGING DIRECTOR & CEO	**VIVEK JAIN** CHIEF FINANCIAL OFFICER

Place: Mumbai
Date: 26.05.2017

INDEPENDENT AUDITORS' REPORT

To the Members of Walchandnagar Industries Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Walchandnagar Industries Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud and error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its loss and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to

a) Note No. 14.1(a) to the Financial Statements regarding old Trade Receivables of ₹ 716.32 Lakhs which are currently under arbitration/ litigation. Pending the ultimate outcome of these matters, which is presently unascertainable, no provision has been made in respect of these dues.

b) Note No. 14.1(c) to the Financial Statements regarding non current debtors which include dues of ₹ 312.56 Lakhs from Govt. parties after completion of the projects which are considered good for recovery.

c) Note No. 16 to the Financial Statements regarding non moving inventory of work in progress amounting to ₹ 2593.67 Lakhs on account of orders which have been cancelled/ put on hold. The Company contends that this stock will either be liquidated or diverted to other projects without any loss arising there from.

Our report is not qualified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India – Ministry of Corporate Affairs, in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the said Order.

2. As required by Section 143 (3) of the Act, we report that:

   (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

(b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from divisions at Zambia and Ethiopia not visited by us. In case of Ethiopia, overseas Auditors' Report has been forwarded to us and appropriately dealt with. In case of division at Zambia, as there are no significant operations on account of closure of site, the returns received from the branch are unaudited.

(c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns from the divisions at Zambia and Ethiopia;

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.,

(f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 34 to the financial statements;

ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund (IEPF) by the Company except in case of unclaimed redemption amount of preference shares amounting to ₹ 1.44 Lakhs which is remaining to be transferred as at the end of the year. (Please refer Note No. 37 to the financial statements).

iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November 2016 to 30th December 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of accounts maintained by the Company and as produced to us by the management – Refer note No.36.

FOR, **K. S. Aiyar & Co.,**
Chartered Accountants
Firm's Registration No.: 100186W

Satish K. Kelkar
Partner
Membership No.: 38934

Place: Mumbai
Date: May 26, 2017.

ANNEXURE A TO THE AUDITORS' REPORT

(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Report of even date on the financial statements for the year ended March 31, 2017 of **Walchandnagar Industries Limited**)

(i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The Company has a programme for physical verification of the fixed assets, which in our opinion is reasonable having regard to the nature of the business. Accordingly, the fixed assets have been physically verified by the Management at the end of the year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company except in respect of land survey Nos. 317/1B, 303 A/2 and 337 are not available.

(ii) The Management has conducted physical verification of the inventory at reasonable intervals other than material lying with sub-contractors, which have been confirmed by majority of them.

(iii) The Company has not granted any secured or unsecured loans to companies, firms or other parties covered in the Register maintained under section 189 of the Companies Act, 2013. Therefore, clause 3 (iii) of the said Order is not applicable.

(iv) In our opinion and according to the information and explanations given to us, the company doesn't have any loans, investments, guarantee or security to which the provisions of section 185 and 186 of the Companies Act 2013 apply.

(v) The Company has not accepted any deposits during the year to which the provisions of section 73 to 76 of the Companies Act, 2013 and Companies (Acceptance of deposits) Rules, 2014 apply. According to the information and explanation given to us no order has been received from Company Law Board, National Company Law Tribunal or Reserve Bank of India or any court or tribunal by the Company.

(vi) We have broadly reviewed the cost records maintained by the Company specified by the Central Government under section 148(1) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues to the extent applicable to it.

According to the information and explanations given to us, there are no undisputed outstanding dues in respect of the above items in arrears as at March 31, 2017 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 disputed statutory dues on accounts of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Municipal Tax and Cess that have not been deposited on account of matters pending before appropriate authority are as follows:

Name of the Statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Denial of exemption availed under notification No. 6/2002, for supply of biomass based boilers.	266.19 (Net of CENVAT reversal and payment)	March, 2000 to March, 2004	CESTAT, Mumbai
Central Excise Act, 1944	Excise duty demand on bought out items supplied for centrifugals, which have already suffered duty at manufacturers end.	82.73 (Net of CENVAT reversal and payments)	June, 1983 to April, 2005	Supreme Court
Maharashtra Land Revenue Code	NA Tax (₹ 20 Lakhs paid under protest)	86.61	1982 to 2003	Tahasildar, Indapur
	NA Tax	16.18	1982 to 2003	Tahasildar, Indapur
	NA Tax	58.58	1994 to 2003	Tahasildar, Indapur
Pune Municipal Corporation	Municipal Taxes – Determination of Annual Rateable Value	89.32	2008-09 to 2016-17	Court of Small Causes , Pune

Name of the Statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	The exemption from tax for transit sale under section 6(2) (b) is denied. ₹ 30 Lakhs paid under protest.	159.83	2005-06	Sales Tax (Appellate Tribunal), Mumbai
Service Tax	Demand on value addition of bought out items. ₹ 28.76 Lakhs paid under protest.	362.65	2006-10	CESTAT, Kolkata
Employees Provident Fund	EPF – Demand from EPF authorities	50.68	2006-07	Mumbai High Court
Central Excise Act, 1944	Excise Duty on bought out components supplied for Centrifugals	2.47	Sept-09 to Jan-11	CESTAT, Mumbai

(viii) There are no loans or borrowings payable to government or debenture holders. The Company has delayed in repayment of following dues to the banks and financial institutions during the year.

(₹ In Lakhs)

Lenders name	Period of default days	Amount	Installment due on	Actual payment date
Bank Of India	77	175.00	31/03/2016	16/06/2016
Bank Of India	84	175.00	30/06/2016	22/09/2016
Bank Of India	62	175.00	30/09/2016	01/12/2016
Bank Of India	40	175.00	31/12/2016	09/02/2017
State Bank of India	03	200.00	31/03/2017	03/04/2017

(ix) The company has not raised money by way of Initial Public Offer or further public offer (including debt instruments) during the year. In respect of term loans taken by the Company, in our opinion and according to the information and explanations given to us, the same have been applied for the purposes for which they were raised.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, clause (xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

FOR, **K. S. Aiyar & Co.,**
Chartered Accountants
Firm's Registration No.: 100186W

Satish K. Kelkar
Partner
Membership No.: 38934

Place: Mumbai
Date: May 26, 2017.

ANNEXURE B TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Walchandnagar Industries Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR, **K. S. Aiyar & Co.,**
Chartered Accountants
Firm's Registration No.: 100186W

Satish K. Kelkar
Partner
Membership No.: 38934

Place: Mumbai
Date: May 26, 2017.

WALCHANDNAGAR

1908-2008

BALANCE SHEET AS AT MARCH 31, 2017

₹ in Lakhs

Particulars		Note No.		As at March 31, 2017	As at March 31, 2016
I	**EQUITY AND LIABILITIES**				
	SHAREHOLDERS' FUNDS				
a)	Share Capital	2	761.40		761.40
b)	Reserves and Surplus	3	46,931.18		55,433.30
				47,692.58	56,194.70
	NON-CURRENT LIABILITIES				
a)	Long-Term Borrowings	4	3,755.14		8,943.42
b)	Other Long Term Liabilities	6	5,241.41		4,972.75
c)	Long Term Provisions	7	1,245.68		808.58
				10,242.23	14,724.75
	CURRENT LIABILITIES				
a)	Short-Term Borrowings	8	36,113.61		30,006.49
b)	Trade Payables	9	10,219.49		9,855.97
c)	Other Current Liabilities	10	27,737.12		28,702.86
d)	Short Term Provisions	7	150.63		343.68
				74,220.85	68,909.00
	TOTAL			**132,155.66**	139,828.45
II	**ASSETS**				
	NON-CURRENT ASSETS				
a)	Fixed Assets:				
	(I) Tangible Assets	11	52,300.23		55,836.64
	(II) Intangible Assets	11	145.68		208.75
	(III) Capital Work-in-Progress	11	102.65		56.12
				52,548.56	56,101.51
b)	Non-Current Investments	12	11.69		12.17
c)	Deferred Tax Assets (Net)	5	-		1,901.01
d)	Non-Current Trade Receivables	14.1	1,345.68		659.89
e)	Long-Term Loans and Advances	13	1,597.03		2,422.14
f)	Other Non-Current Assets	14.2	137.00		137.00
				3,091.40	5,132.21
	CURRENT ASSETS				
a)	Current Investments	15	315.63		15.63
b)	Inventories	16	19,227.59		22,000.75
c)	Contracts-in-Progress	18.1	4,130.62		5,912.66
d)	Trade Receivables	14.1	39,806.29		39,619.31
e)	Cash and Bank Balances	17	1,587.07		2,476.61
f)	Short-Term Loans and Advances	13	9,601.44		6,818.65
g)	Other Current Assets	14.2	1,847.06		1,751.12
				76,515.70	78,594.73
	TOTAL			**132,155.66**	139,828.45
	Significant Accounting Policies	1			
	Other Notes to Accounts	2 - 38			

As per our report attached

For K. S. AIYAR & Co.
Chartered Accountants
FRN: 100186W

Satish K. Kelkar
Partner
Membership No: 38934

Date : 26.05.2017
Place : Mumbai

G. K. Pillai
Managing Director & C.E.O.

Chirag C. Doshi
Managing Director

Chakor L. Doshi
Chairman

G. S. Agrawal
Vice President (Legal & Taxation)
& Company Secretary

Date : 26.05.2017
Place : Mumbai

G. N. Bajpai
Director

Vivek Jain
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

₹ in Lakhs

	Particulars	Note No.	For 12 months ended March 31, 2017	For 18 months ended March 31, 2016
I	Revenue from Operations	18	**42,368.80**	82,703.86
	Less: Excise Duty		**2,577.75**	2,491.50
			39,791.05	80,212.36
II	Other Income	19	**336.88**	524.41
III	**TOTAL REVENUE (I +II)**		**40,127.93**	80,736.77
IV	Expenditure :			
	Cost of Materials Consumed	20	**17,036.51**	37,105.12
	Sub-contracting Expenses, Processing Charges and Other Direct Costs	21	**2,779.45**	11,273.48
	Changes in inventories of finished goods and work-in-progress	22	**1,664.20**	3,357.36
	Employees Benefits Expenses	23	**8,240.73**	13,582.58
	Finance Costs	24	**6,950.34**	8,978.09
	Depreciation and Amortisation Expenses	25	**1,816.48**	3,383.95
	Other Expenses	26	**4,208.37**	8,688.24
	Exchange Currency Fluctuation (Gain)/ Loss		**141.54**	214.31
	TOTAL EXPENSES		**42,837.62**	86,583.13
V	**PROFIT/ (LOSS) BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III - IV)**		**(2,709.69)**	(5,846.36)
VI	Exceptional Items	27	**(1,182.58)**	(1,011.09)
VII	**PROFIT/ (LOSS) BEFORE EXTRAORDINARY ITEMS AND TAX (V - VI)**		**(3,892.27)**	(6,857.45)
VIII	Extraordinary Items		-	-
IX	**PROFIT/ (LOSS) BEFORE TAX (VII - VIII)**		**(3,892.27)**	(6,857.45)
X	Tax expense:			
	(1) Current tax		-	-
	(2) Tax for earlier years	28.1	**632.35**	311.00
	(3) Deferred tax (asset)/ liability	28.2	**1,901.01**	-
			2,533.36	311.00
XI	**PROFIT/ (LOSS) FOR THE YEAR (IX -X)**		**(6,425.63)**	(7,168.45)
XII	**EARNINGS PER EQUITY SHARE OF FACE VALUE OF ₹ 2 EACH**			
	(1) Basic	29	**(16.88)**	(18.83)
	(2) Diluted	29	**(16.88)**	(18.83)

As per our report attached

For K. S. AIYAR & Co.
Chartered Accountants
FRN: 100186W

Satish K. Kelkar
Partner
Membership No: 38934

Date : 26.05.2017
Place : Mumbai

G. K. Pillai
Managing Director & C.E.O.

Chirag C. Doshi
Managing Director

Chakor L. Doshi
Chairman

G. S. Agrawal
Vice President (Legal & Taxation)
& Company Secretary

Date : 26.05.2017
Place : Mumbai

G. N. Bajpai
Director

Vivek Jain
Chief Financial Officer

WALCHANDNAGAR

1908-2008

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

₹ in Lakhs

	Particulars			Year ended March 31, 2017		18 months ended March 31, 2016
A	**CASH FLOW FROM OPERATING ACTIVITIES**					
	PROFIT/ (LOSS) BEFORE TAX			**(3,892.27)**		(6,857.45)
	Add:					
	Finance Costs		**6,950.34**		8,978.09	
	Depreciation and Amortisation Expenses		**1,816.48**		3,383.95	
	Expenses on sale of Investment		**-**		3.24	
	Provision for Doubtful debts		**1,025.34**		2,056.88	
				9,792.17		14,422.16
				5,899.89		7,564.71
	Less:					
	Profit / (Loss) on Non-current Investments				174.26	
	Profit / (Loss) on Sale of Current Investments				925.33	
	Profit / (Loss) on Sale of Asset (Net)		**11.85**		7.16	
	Interest/ Dividend		**146.82**		56.90	
				158.67		1,163.65
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**I**		**5,741.22**		6,401.06
	Adjustments for changes in Working Capital:					
	(Increase) / Decrease in Trade and Other Receivables		**(4,209.43)**		7,428.98	
	(Increase) / Decrease in Inventories		**4,555.20**		3,879.33	
	Increase / (Decrease) in Trade and Other Payables		**(268.14)**		(16,457.41)	
		II		**77.63**		(5,149.10)
	CASH GENERATED FROM OPERATING ACTIVITIES	**I+II**		**5,818.85**		1,251.96
	Direct Taxes paid / refund received (Net)			**(374.65)**		(1,239.10)
	NET CASH FLOW FROM OPERATING ACTIVITIES			**5,444.20**		12.86
B	**CASH FLOW FROM INVESTING ACTIVITIES**	**A**				
	Purchase of Investment		**(299.52)**		-	
	Purchase of Fixed Assets		**(342.17)**		(989.98)	
	Proceeds from sale of Non-current Investments		**-**		507.70	
	Proceeds from sale of Current Investments (Net)		**-**		1,918.06	
	Proceeds from sale of Fixed Assets		**14.01**		26.23	
	Expenses on sale of Investment		**-**		(3.24)	
	Interest Received		**145.76**		35.27	
	Dividend Received		**1.06**		21.63	
	NET CASH FLOW FROM INVESTING ACTIVITIES	**B**		**(480.86)**		1,515.67
C	**CASH FLOW FROM FINANCING ACTIVITIES**					
	Proceeds from long term borrowings		**-**		3,491.02	
	Repayment of long term borrowings		**(4,992.14)**		(561.95)	
	Proceeds/ (Repayments) of other borrowings (Net)		**6,107.09**		2,497.22	
	Interest Paid		**(6,950.34)**		(8,978.09)	
	Dividend Paid		**(17.50)**		(185.69)	
	NET CASH FLOW FROM FINANCING ACTIVITIES	**C**		**(5,852.89)**		(3,737.49)
	NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	**(A+B+C)**		**(889.54)**		(2,208.96)
	OPENING BALANCE OF CASH AND CASH EQUIVALENTS			**2,476.61**		4,685.57
	CLOSING BALANCE OF CASH AND CASH EQUIVALENTS			**1,587.07**		2,476.61

As per our report attached

For K. S. AIYAR & Co.
Chartered Accountants
FRN: 100186W

Satish K. Kelkar
Partner
Membership No: 38934

Date : 26.05.2017
Place : Mumbai

G. K. Pillai
Managing Director & C.E.O.

Chirag C. Doshi
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Chakor L. Doshi
Chairman

G. S. Agrawal
Vice President (Legal & Taxation)
& Company Secretary

Date : 26.05.2017
Place : Mumbai

G. N. Bajpai
Director

Vivek Jain
Chief Financial Officer

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

1 SIGNIFICANT ACCOUNTING POLICIES

1.1 METHOD OF ACCOUNTING

The Company maintains its accounts under the historical cost convention, except for certain fixed assets which are revalued, on an accrual basis and complies in all material respects with Generally Accepted Accounting Principles in India. The Company has prepared these financial statements to comply in all material respects with Accounting Standards notified under the Companies (Accounting Standards) Rules, read with rule 7 to the Companies (Accounts) Rules, 2014 in respect of Section 133 to the Companies Act, 2013.

1.2 USE OF ESTIMATES

The presentation of the financial statements, in conformity with the Generally Accepted Accounting Principles, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of the financial statements. The actual outcome may diverge from these estimates.

1.3 REVENUE RECOGNITION

A –Product Sales

(a) Domestic sales of manufactured items are recognized on dispatch and are stated net of returns, discounts and rebates. Sales are recorded exclusive of sales tax.

(b) Export sales are recognized on date of bill of lading/ airway bill and/or passing of rights to the customer, whichever is earlier and initially recorded at the relevant exchange rates prevailing on the date of transaction.

(c) Income on items delivered directly by suppliers/sub-contractors to the client is recognized on dispatch and receipt of suppliers'/sub-contractors' invoices.

(d) Income on account of price variation is recognized on the acceptance of the claim by the client and on certainty of its realization.

B - Contract Revenue

(a) In case of certain long term contracts, revenue is recognized on 'Percentage of Completion Method.' Percentage of completion is determined as a proportion of costs incurred to date to the total estimated contract costs. Contract costs include costs that relate directly to the specific contract and costs that are attributable to contract activity and allocable to the contract. Costs that cannot be attributed or allocable to contract activity are expensed as and when incurred.

(b) When the final outcome of a contract cannot be reliably estimated, contract revenue is recognized only to the extent of costs incurred that are expected to be recovered. Expected loss is recognized immediately when it is probable that the total estimated contract costs will exceed total contract revenue.

(c) Variations and claims for escalation are recognized as a part of contract revenue to the extent it is probable that they will result in revenue and are capable of being reliably measured.

(d) Difference between costs incurred plus recognized profit/less recognized losses and the amount of invoiced sales is disclosed as Contracts-in-progress.

C - Service Revenue

Revenue from services are recognized as and when the services are performed.

D – Interest and Dividend Income

(a) Interest Income on deployment of surplus funds is recognized using the time proportion method, based on the underlying interest rates.

(b) Dividend is accrued in the year in which it is declared whereby the right to receive is established.

E – Export Benefits

Export benefits in the form of Duty Drawback (All Industry Rate) and DEPB are recognized on accrual basis.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

1.4 TANGIBLE FIXED ASSETS

Fixed Assets are stated at cost, net of tax/duty credits availed less depreciation/amortization to date and impairment, if any, except in the case of certain items of land, buildings, plant and machinery and roads, water works and drainage, which are stated on the basis of revalued cost less depreciation/ amortization to date and impairment, if any.

1.5 INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

1.6 DEPRECIATION/AMORTIZATION

(a) Depreciation is computed on Straight Line Method on certain Buildings and Plant and Machinery, of Heavy Engineering Division and Foundry Division and all the fixed assets of Instrumentation Division, in the manner prescribed in Schedule II to the Companies Act, 2013 based on useful life of the asset.

Depreciation on the value written-up on revaluation, is calculated on straight line method over the residual technical life assessed by the valuer. Premium on leasehold land is amortized over the period of lease.

Depreciation on all other fixed assets is computed on Written Down Value method in the manner prescribed in Schedule II to the Companies Act, 2013 based on useful life of the asset.

In respect of sites, which are integral foreign operations, depreciation is provided in the manner prescribed by local laws so as to write off the assets over their useful life.

(b) Intangible assets are amortized on a Straight Line Method over the estimated useful economic life and in particular:

i) Patents are amortized on the basis of life of Patents as specified in the Patent Documents;

ii) Technical Know-how is amortized over a period of six years; and

iii) Computer Software, included in intangible assets, is amortized over a period of three years.

(c) Depreciation on additions to/ deletions from the fixed assets during the year is calculated on pro-rata basis from/ to the date of addition/ deletion.

1.7 CAPITAL WORK-IN-PROGRESS (INCLUDING INTANGIBLE ASSETS UNDER DEVELOPMENT)

Projects under commissioning and other Capital Work-in-Progress (Including Intangible Assets under Development) are carried at cost, comprising direct costs and related incidental expenses.

1.8 IMPAIRMENT OF ASSETS

Impairment is ascertained at each balance sheet date in respect of Cash Generating Units. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discounting factor.

1.9 INVESTMENTS

Investments of long term nature are stated at cost less provision for diminution in value, if such decline is other than temporary. Current investments are stated at lower of cost or fair value.

1.10 EMPLOYEE BENEFITS

(a) Short term employee benefits are those which are payable within twelve months of rendering service and are recognized as expense in the period in which the employee renders the related service.

(b) Contributions to Provident Fund and Superannuation Fund, ESIC and Labour Welfare Fund which are defined contribution schemes are recognized as an expense in the Statement of Profit and Loss in the period in which the contribution is due.

(c) Gratuity liability is a defined benefit obligation and is provided for on the basis of actuarial valuation using the projected unit credit method at the end of each financial year. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(d) Long term compensated absences including leave encashment are provided for on the basis of actuarial valuation. Accumulated leave, which is expected to be utilized within next twelve months, is treated as short term employee benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

1.11 TAXES ON INCOME

Tax expenses comprise of current and deferred tax.

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961. The tax rates and tax laws used to compute the amounts are those that are enacted or substantively enacted.

Deferred tax is recognized on timing differences between the accounting income and taxable income that originate in one period and are capable of reversal in one or more subsequent periods and is quantified using the tax rates and tax laws enacted or substantively enacted as on the Balance Sheet date. Where there is an unabsorbed depreciation or carried forward of losses under tax laws, deferred tax assets are recognized to the extent that there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. In other cases deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

1.12 BORROWING COSTS

Borrowing costs attributable to the acquisition, construction or production of qualifying assets are capitalized as part of such asset till the time the asset is ready for its intended use or sale. All other borrowing costs are recognized as an expense in the Statement of Profit and Loss in the period in which they are incurred.

1.13 INVENTORIES

Inventories are valued after providing for obsolescence, if any, as under:

a) Raw materials, Components, Stores and Spares are valued at lower of cost or net realizable value. The cost includes freight inward, direct expenses, duties and taxes, other than those subsequently recoverable. In case of Heavy Engineering Division, it is arrived at on "FIFO Method" and other divisions on "Weighted Average Method".

b) Costs of Dies, Jigs, Tools and Patterns purchased/ manufactured are charged off in relevant year, at lower of cost or net realizable value, arrived at after providing for suitable diminution/ amortization.

c) Goods-in-transit are valued at costs incurred till the Balance Sheet date.

d) Work-in-progress is valued at lower of cost or net realizable value. The cost includes direct material, direct labour, and appropriate overheads booked on normal level of activity. The expenditure on uncompleted contracts is amortized over the period of the contract on the basis of sales booked.

e) Finished goods are valued at lower of cost or net realizable value. Cost includes related overheads and wherever applicable, excise duty.

1.14 LIQUIDATED DAMAGES

As per the accounting policy adopted by the company, liquidated damages imposed by the customers and are outstanding for more than two years as at the reporting date are fully provided for net of reversals on account of subsequent waivers/ recovery.

1.15 FOREIGN CURRENCY TRANSLATION

a) Initial recognition

Foreign currency transactions are reported in the reporting currency by applying to the foreign currency amount, the exchange rate between reporting currency and the foreign currency at the date of the transaction.

b) Conversion

Foreign currency monetary items are re-instated using the exchange rate prevailing at the reporting date. Non-monetary items which are measured in terms of historical costs denominated in a foreign currency are reported using the exchange rate at the date of transaction. Non-monetary items which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

The financial statements of overseas sites of the company which are integral foreign operations are translated as if the transactions of the foreign operations have been those of the company itself.

c) Exchange differences

Exchange differences are recognized as income or as expense in the period to which they relate. Premium or discount on forward exchange contracts for hedging an underlying asset/ liability, is recognized in the Statement of Profit and Loss over the period of the contract.

1.16 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognized for liabilities that can be measured by using a substantial degree of estimation, if:

(a) the Company has a present obligation as a result of past event;

(b) a probable outflow of resources is expected to settle the obligation; and

(c) the amount of the obligation can be reliably estimated.

Contingent Assets are neither recognized nor disclosed. Contingent Liabilities are not recognized, but are disclosed in Notes to Accounts. Provisions, Contingent Liabilities and Contingent Assets are reviewed at each balance sheet date.

1.17 LEASES

Assets acquired under leases where the significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases and lease rentals are charged to the Statement of Profit andLoss on accrual basis.

1.18 SEGMENT REPORTING

The accounting policies adopted for segment reporting are in line with the accounting policies of the company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenues, expenses, assets and liabilities which relate to the company as a whole and are not allocable to segments on reasonable basis have been included under unallocated revenues/expenses/assets/liabilities.

Information given, is in accordance with the requirements of Accounting Standard 17 on Segment Reporting, notified under the Companies (Accounting Standards) Rules, read with rule 7 to the Companies (Accounts) Rules, 2014 in respect of Section 133 to the Companies Act, 2013. The Company has identified business segments as the primary segment and geographical segment as secondary segment. Segments have been identified after taking into account the nature of the products, differential risk and returns, organizational structure and internal reporting system.

The Company's Primary business segments are organized on product lines as follows:

(i) Heavy Engineering (also known as Industrial Machinery Division) - engaged in engineering, fabrication and manufacturing of Machinery for Sugar Plants, Cement Plants, Boilers and Power Plants, Industrial and Marine Gears, Mineral Processing and EPC, Petro-chemicals and Space, Defense and Nuclear Power Business;

(ii) Foundry and Machine Shop-Manufacturing of Grey and Ductile Iron Castings required by various industries and machining of components; and

(iii) Others-Non Reportable Segment includes units manufacturing Precision Instruments such as pressure and temperature gauges.

1.19 EARNINGS PER SHARE

The company reports basic and diluted earnings per share in accordance with Accounting Standard 20 – Earnings Per Share notified under the Companies (Accounting Standards) Rules, read with rule 7 to the Companies (Accounts) Rules, 2014 in respect of Section 133 to the Companies Act, 2013. Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating Diluted Earnings per share, the net profit or loss for the period attributable to equity share holders and weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

2 SHARE CAPITAL

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
AUTHORIZED:		
50,000 (Previous year 50,000) 10% Cumulative Preference Shares of ₹ 100 each	**50.00**	50.00
50,000 (Previous year 50,000) Preference Shares of ₹ 100 each	**50.00**	50.00
120,000,000 (Previous Year 120,000,000) Equity Shares of ₹ 2 each	**2,400.00**	2,400.00
	2,500.00	2,500.00
ISSUED:		
38,070,205 (Previous year 38,070,205) Equity Shares of ₹ 2 each	**761.40**	761.40
SUBSCRIBED AND PAID-UP:		
38,070,205 (Previous year 38,070,205) Equity Shares of ₹ 2 each fully paid-up	**761.40**	761.40
TOTAL	**761.40**	761.40

ADDITIONAL INFORMATION:

(a) RECONCILIATION OF NUMBER OF SHARES OUTSTANDING:

Particulars	As at March 31, 2017		As at March 31, 2016	
Equity Shares of ₹ 2 each	**No. of Shares**	**₹ in Lakhs**	No. of Shares	₹ in Lakhs
At the beginning of the year	**38,070,205**	**761.40**	38,070,205	761.40
Movement(s) during the year	**-**	**-**	-	-
At the end of the year	**38,070,205**	**761.40**	38,070,205	761.40

(b) TERMS AND RIGHTS ATTACHED TO EQUITY SHARES:

The Company has only one class of equity shares having par value of ₹ 2 per share. Each shareholder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. Your Directors do not recommend any Dividend for the Financial Year ended March 31, 2017.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% OF SHARES IN THE COMPANY:

	As at March 31, 2017		As at March 31, 2016	
(Equity shares of ₹ 2 each fully paid-up)	**Number**	**% holding**	Number	% holding
Walchand Kamdhenu Commercials Pvt Ltd.	**9,869,673**	**25.92**	9,869,673	25.92
Walchand Great Achievers Pvt Ltd.	**5,260,160**	**13.82**	5,260,160	13.82
Rodin Holdings Inc	**3,000,000**	**7.88**	3,000,000	7.88
Olsson Holdings Inc	**2,000,000**	**5.25**	2,000,000	5.25

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

3 RESERVES AND SURPLUS

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
CAPITAL REDEMPTION RESERVE	**50.00**	50.00
SECURITIES PREMIUM RESERVE	**4,994.46**	4,994.46
REVALUATION RESERVE		
Balance as per last Financial Statement	**44,962.28**	48,240.16
Less: Adjustment on account of sale	**-**	43.39
Less: Amount transferred to the Statement of Profit and Loss as reduction from Depreciation	**2,076.49**	3,234.49
CLOSING BALANCE	**42,885.79**	44,962.28
GENERAL RESERVE		
Balance as per last financial statement	**5,606.05**	5,606.05
CLOSING BALANCE	**5,606.05**	5,606.05
SURPLUS/(DEFICIT) IN THE STATEMENT OF PROFIT AND LOSS		
Balance as per last Financial Statement	**(179.49)**	7,382.83
Add: Profit / (Loss) for the year	**(6,425.63)**	(7,168.45)
Less: Adjustment relating to fixed assets	-	393.87
CLOSING BALANCE	**(6,605.12)**	(179.49)
TOTAL RESERVES AND SURPLUS	**46,931.18**	55,433.30

4 LONG-TERM BORROWINGS

₹ in Lakhs

Particulars	Non-Current Portion		Current Maturities	
	As at March 31, 2017	As at March 31, 2016	**As at March 31, 2017**	As at March 31, 2016
TERM LOANS				
a. From Banks (Secured)				
Indian Rupee loan				
Vehicle Loan - Refer Note No. 4 (i)	**5.14**	7.72	**2.59**	6.47
Corporate Loans - Refer Note No. 4 (ii)	**3,750.00**	8,935.70	**1,700.00**	1,500.00
	3,755.14	8,943.42	**1,702.59**	1,506.47
b. From Others				
Amount disclosed under the head 'Other Current Liabilities' (Refer Note No. 10)	**-**	-	**1,702.59**	1,506.47
NET AMOUNT	**3,755.14**	8,943.42	**-**	-

4 (i) Vehicle Loan from Axis Bank

Particulars	Amount of Loan ₹ in Lakhs	Rate of Interest	Installment amount ₹ in Lakhs	No. of Oustanding Instalments	Period of Maturity from Balance Sheet date
Vehicle Loan - Secured by vehicle bought under loan and repayable in 48 Equated monthly installments of ₹ 0.26 Lacs including interest @ 11% p.a.	10.02	11%	0.26	35	35 Months

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

4 (ii) Corporate Loan of ₹ 7500 Lakhs (₹ 4000 Lakhs from State Bank of India and ₹ 3500 Lakhs from Bank of India). Interest rate of State Bank of India Corporate Loan is 15.50% and Bank of India Corporate Loan is 14.25% and is secured by:

a) First *pari passu* charge on specified demarcated fixed assets of the company's Heavy Engineering Division.

b) Mortgage of two specified immovable properties at Pune city.

c) 2nd *pari passu* charge on current assets of the Company.

The said loan is repayable in 20 equal quarterly installments starting from December 2015 onwards. Balance instalments payable are as under:-

Particulars	No. of months	No. of instalments	Amount (₹ in Lakhs)
April 2017- Mar 2018	12	₹ 375 Lakhs * 4 Qtrs	1,500.00
April 2018- Mar 2019	12	₹ 375 Lakhs * 4 Qtrs	1,500.00
April 2019- Mar 2020	12	₹ 375 Lakhs * 4 Qtrs	1,500.00
April 2020- Sept 2021	6	₹ 375 Lakhs * 2 Qtrs	750.00
TOTAL	42		5,250.00

5 DEFERRED TAX ASSET / (LIABILITY) (NET)

During the year the company has not created further deferred tax asset on loss incurred. Also the deferred tax asset created in the past has also been reversed in terms of accounting standard AS 22.

6 OTHER LONG TERM LIABILITIES

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Advance From Customers	**4,556.80**	4,279.86
Others	**684.61**	692.89
TOTAL	**5,241.41**	4,972.75

7 LONG TERM PROVISIONS

₹ in Lakhs

	Long Term		Short Term	
Particulars	**As at March 31, 2017**	As at March 31, 2016	**As at March 31, 2017**	As at March 31, 2016
Provision for Employee Benefits:				
a) Provision for Leave Encashment (Refer Note No. 32)	**165.45**	144.27	**23.22**	48.09
b) Provision for Gratuity (Refer Note No. 32)	**1,080.23**	664.31	**127.41**	295.59
TOTAL	**1,245.68**	808.58	**150.63**	343.68

8 SHORT-TERM BORROWINGS

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
a) FROM BANKS - SECURED:		
HEAVY ENGINEERING DIVISION, WALCHANDNAGAR		
1) Buyers' Credit Loan (Under Line of Credit facility)	**388.81**	397.00
2) Working Capital Loans (Under Consortium of Bankers)	**21,795.62**	22,287.34
(The facilities mentioned at (1) & (2) above are secured by mortgage of residential flat in Mumbai, land and building and by way of charge on all movable plant and machinery, fixtures, implements, fittings, furniture, current assets (both present & future) including stock-in-trade, raw material, semi-finished and finished products, stores and spares, book debts, tools and accessories and other movables of and pertaining to Heavy Engineering Division at Walchandnagar.)		

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
3) Working Capital Loan - From Indusind Bank	**4,499.67**	4,499.67
(Secured by the mortgage of immovable property in Mahim, Mumbai)		
FOUNDRY DIVISION, SATARA ROAD	**945.05**	1,007.73
Working Capital Loans - From State Bank of India		
(Secured by hypothecation of all those tangible movable properties and assets, including all stocks of Raw Material, Components, Tools, Stores Materials, Work-in-Progress, Finished Goods and Book Debts and equitable mortgage on fixed assets of Foundry Division at Satara Road.)		
	27,629.15	28,191.74
b) FROM BANKS - UNSECURED:		
Working Capital Loans	**484.46**	1,414.75
c) INTERCORPORATE DEPOSITS FROM RELATED PARTIES - UNSECURED (REFER NOTE NO. 30)	**8,000.00**	400.00
TOTAL	**36,113.61**	30,006.49

9. TRADE PAYABLES

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Due to Micro, Small and Medium Enterprises[*]	**989.74**	574.03
Others	**9,229.75**	9,281.94
TOTAL	**10,219.49**	9,855.97
[*] The details of amounts outstanding to Mircro, Small and Medium Enterprises based on available information with the company is as under:		
(a) (i) Principal amount remaining unpaid to any supplier	**923.56**	519.78
(ii) Interest due on above	**66.18**	54.25
(b) Amount of interest accrued and due as at March 31, 2017	**66.18**	54.25
(c) Total Outstanding dues to Micro small and Medium enterprises	**989.74**	574.03
(The above details have been given to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the Auditors)		

10 OTHER CURRENT LIABILITIES

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Current Maturities of Long-Term Borrowings (Refer Note No. 4)	**1,702.59**	1,506.47
Unclaimed dividend	**34.51**	52.01
Advance against orders and customers' credit balances	**13,670.05**	18,618.51
Employee Dues	**949.39**	870.97
Statutory Dues	**814.43**	460.39
Provision for Expenses / Others	**7,678.25**	6,199.48
Dues to Customers relating to contracts in progress (Refer Note No. 18.1)	**2,887.90**	995.03
TOTAL	**27,737.12**	28,702.86

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)

11. FIXED ASSETS

₹ in Lakhs

Particulars	Gross Block				Depreciation / Amortization				Net Block	
	Cost/ Book Value as at 1-April-16	Additions during the year	Deductions / Adjustments [*]	Cost / Book Value as at 31-March-17	Depreciation / Amortization as at 1-April-16	Depreciation / Amortization for the year	Deductions / Adjustments	Depreciation / Amortization as at 31-Mar-17	Net book value as at 31-Mar-17	Net book value as at 31-Mar-16
Tangible Assets										
1. a) Land (Free Hold)[#]	13,779.98	-	-	**13,779.98**	-	-	-	**-**	**13,779.98**	13,779.98
b) Lease Hold Land	1,620.14	-	-	**1,620.14**	119.90	65.88	-	**185.78**	**1,434.36**	1,500.24
2. Buildings[*]	43,415.24	24.77	-	**43,440.01**	19,365.14	972.58	-	**20,337.72**	**23,102.29**	24,050.10
3. Plant and machinery	41,598.53	216.73	-	**41,815.26**	25,354.79	2,629.83	-	**27,984.62**	**13,830.64**	16,243.74
4. Furnitures, Fixtures and Electrical Fittings	1,554.51	0.87	-	**1,555.38**	1,426.68	46.42	-	**1,473.10**	**82.28**	127.83
5. Office Equipments	716.15	7.50	43.11	**680.54**	654.11	56.68	40.95	**669.84**	**10.70**	62.04
6. Vehicles	574.70	10.43	-	**585.13**	501.99	23.16	-	**525.15**	**59.98**	72.71
Total (A)	103,259.25	260.30	43.11	**103,476.44**	47,422.61	3,794.55	40.95	**51,176.21**	**52,300.23**	55,836.64
Intangible Assets										
7. Patents	11.05	-	-	**11.05**	11.05	-	-	**11.05**	**-**	-
8. Software	1,567.26	35.35	-	**1,602.61**	1,430.87	71.59	-	**1,502.46**	**100.15**	136.39
9. Technical Knowhow	805.68	-	-	**805.68**	733.32	26.83	-	**760.15**	**45.53**	72.36
Total (B)	2,383.99	35.35	-	**2,419.34**	2,175.24	98.42	-	**2,273.66**	**145.68**	208.75
										-
Total (A+B)	105,643.24	295.65	43.11	**105,895.78**	49,597.85	3,892.97	40.95	**53,449.87**	**52,445.91**	56,045.39
Previous Year	104,752.01	1,372.81	481.58	**105,643.24**	43,048.24	6,618.44	462.70	**49,597.85**	**56,045.39**	61,703.76
Capital Work-in-Progress									**102.65**	56.12
Intangible Assets under Development									**-**	-

[#] Includes certain land at Walchandnagar, costing ₹ 0.08 lakhs, acquired in earlier years by the State Government for which compensation of ₹ 285 Lakhs (Net) has been awarded. However as the matter is in appeal in the Supreme Court, the award has not been accounted as sale.

[*] Includes cost of 25 shares of ₹ 50 each of 2 Co-operative Housing Societies against acquisition of flats.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

12 NON CURRENT INVESTMENTS

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
INVESTMENT IN EQUITY INSTRUMENTS - QUOTED		
600 (Previous year 600) equity shares of ₹ 10 each in Bombay Cycle & Motor Agency Ltd.	**0.10**	0.10
2500 (Previous year 2500) equity shares of ₹ 2 each in HDFC Bank Ltd.	**0.05**	0.05
60,000 (Previous year 60,000 shares face value of ₹ 2 each) equity shares of ₹ 2 each in Bank of Baroda	**10.36**	10.36
Sub-Total (A)	**10.51**	10.51
INVESTMENT IN EQUITY INSTRUMENTS - UNQUOTED		
2 (Previous year 2) equity shares of ₹ 50 each in Maharashtra State Co-operative Bank Limited	**0.01**	0.01
100 (Previous year 100) equity shares of ₹ 100 each in Shushrusha Citizens Co-operative Hospital Limited	**0.10**	0.10
100 (Previous year 100) equity shares of ₹ 25 each in Cooper Employee's Consumers Co-operative Society Limited	**0.02**	0.02
10 (Previous year 10) equity shares of ₹ 50 each in Walchand Co-operative Housing Society Limited	**0.01**	0.01
Nil (Previous year 481) equity shares of ₹ 100 each in Walchand Foundries Private Limited	**-**	0.48
1,04,250 (Previous Year 1,04,250) Equity Shares of ₹ 10 each in Actis Biologics Private Limited	**102.66**	102.66
Less: Provision for diminution	**(101.62)**	(101.62)
Net Value	**1.04**	1.04
Sub-Total (B)	**1.18**	1.66
TOTAL (A)+(B)	**11.69**	12.17
Aggregate Value of Quoted Investments		
- At cost	**10.51**	10.51
- Market Value	**149.04**	123.24
Aggregate Value of Unquoted Investments		
Book Value and/ or at cost	**102.80**	103.28
Aggregate Provision for diminution in the Value of Investments	**101.62**	101.62

13 LOANS AND ADVANCES

₹ in Lakhs

Particulars	Non Current		Current	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
CAPITAL ADVANCES				
Unsecured, considered good	**68.19**	14.81	**-**	-
SECURITY DEPOSIT				
Unsecured, considered good	**230.86**	300.85	**-**	-
ADVANCES RECOVERABLE IN CASH OR IN KIND				
Unsecured, considered good	**0.66**	0.66	**5,858.33**	3,159.41
Other loans and advances	**-**	-	**251.68**	226.01
Unsecured, considered doubtful	**25.56**	38.06	**-**	-
Less: Provision for doubtful advance	**25.56**	38.06	-	-
Sub-Total	**0.66**	0.66	**6,110.01**	3,385.42

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

₹ in Lakhs

Particulars	Non Current		Current	
	As at March 31, 2017	As at March 31, 2016	**As at March 31, 2017**	As at March 31, 2016
OTHER LOANS AND ADVANCES				
Advance Income Tax (net of tax provision)	**1,297.32**	2,105.82	**550.80**	-
Balances with Statutory/Government authorities				
Service Tax and input receivable	**-**	-	**298.56**	597.18
Excise/ Input Credit Receivable	**-**	-	**1,108.67**	1,237.90
Vat input receivable	**-**	-	**1,516.72**	1,574.68
Octroi duty Receivable	**-**	-	**16.68**	23.47
Sub-Total	**1,297.32**	2,105.82	**3,491.43**	3,433.23
TOTAL	**1,597.03**	2,422.14	**9,601.44**	6,818.65

14 TRADE RECEIVABLES AND OTHER ASSETS

₹ in Lakhs

14.1 TRADE RECEIVABLES

Particulars	Non Current		Current	
	As at March 31, 2017	As at March 31, 2016	**As at March 31, 2017**	As at March 31, 2016
Trade receivable outstanding for a period less than six months from the date they are due for payment				
Unsecured, considered good (Includes retention money of ₹ 23,069 lakhs (Previous year ₹ 22,972 Lakhs))	**-**	-	**32,242.47**	32,915.11
Sub-Total (A)	**-**	-	**32,242.47**	32,915.11
Trade receivable outstanding for a period more than six months from the date they are due for payment				
Unsecured, considered good [Refer Foot Note and Note No. 34(a)(j)]	**1,345.68**	659.89	**7,563.82**	6,704.20
Unsecured, considered doubtful	**4,368.57**	2,525.94	**966.34**	1,708.69
Sub-Total	**5,714.25**	3,185.83	**8,530.16**	8,412.89
Less: Provision for Doubtful Debts	**4,368.57**	2,525.94	**966.34**	1,708.69
Sub-Total (B)	**1,345.68**	659.89	**7,563.82**	6,704.20
TOTAL (A)+(B)	**1,345.68**	659.89	**39,806.29**	39,619.31

Foot Note - (a) The trade receivables more than 6 months considered good includes ₹ 716.32 lakhs (Previous year ₹ 847.50 Lakhs) from parties against whom the company has initiated legal / arbitration proceedings. Pending the ultimate outcome of these cases, which is presently unascertained, no provision has been made in respect of these dues.

(b) Non Current Debtors of ₹ 1345.68 Lakhs include due from a party amounting to ₹ 330.37 Lakhs for which balance confirmation has been obtained. Further subsequent to balance sheet date, the party have paid a sum of ₹ 50 Lakhs and confirmed that outstanding payment shall be released by 30th November 2017. Based on this letter the Company is confident of recovery of the dues and no provision is made.

(c) Non Current Debtors of ₹ 1345.68 Lakhs include dues from Govt. parties after completion of projects of ₹ 312.56 Lakhs which are considered good for recovery.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

₹ in Lakhs

14.2 OTHER ASSETS	Non Current		Current	
Particulars	**As at March 31, 2017**	As at March 31, 2016	**As at March 31, 2017**	As at March 31, 2016
Non-Current Bank Balances (Refer Note No. 17)	**137.00**	137.00	**-**	-
Other Current Assets	**-**	-	**1,847.06**	1,751.12
TOTAL	**137.00**	137.00	**1,847.06**	1,751.12

14.3 The Company has sent balance confirmation letters to Sundry Debtors, Creditors and Other Parties and where ever required accounts are under reconciliation. Pending final reconciliation, the balances in respect of these Debtors, Creditors and third parties are as per books of account only. Adjustments having an impact of revenue nature, if any, will be made in the year in which the same are confirmed/reconciled.

15 CURRENT INVESTMENTS

₹ in Lakhs

Particulars	**As at March 31, 2017**	As at March 31, 2016
Mutual funds, Fully paid-up		
HDFC Cash Management Fund Treasury Advantage Plan Weekly Dividend 8903.698 Units at ₹ 3369.3865 per unit (Previous Year Nil)	**300.00**	-
4000 (Previous year 4000) equity shares of ₹ 2 each in Housing Development Finance Corporation Limited	**15.63**	15.63
TOTAL	**315.63**	15.63
Market value of quoted investments	360.96	44.22

16 INVENTORIES

₹ in Lakhs

Particulars	**As at March 31, 2017**	As at March 31, 2016
Raw Materials and Components	**4,550.87**	5,236.08
Stores and Spares	**1,161.77**	1,399.36
Dies, Jigs, Tools Moulds & Patterns	**268.07**	454.23
Work-in-Progress (*)	**13,109.89**	14,787.33
Finished Products	**131.95**	118.76
Finished Goods-in-Transit	**5.04**	4.99
TOTAL	**19,227.59**	22,000.75

(*) Inventory includes ₹ 2593.67 Lakhs in respect of orders which have been cancelled/ put on hold. Based on the valuation report of the independent valuer, the Company is of the opinion that no provision is required to be made as on 31st March, 2017 and this stock will be either liquated/ diverted to other projects.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

17 CASH AND BANK BALANCES

₹ in Lakhs

	Particulars	Non Current		Current	
		As at March 31, 2017	As at March 31, 2016	**As at March 31, 2017**	As at March 31, 2016
(a)	Balances with Banks				
	On Current accounts				
	i) in Indian Rupees		-	**880.39**	1,945.25
	ii) in Foreign Currency		-	**27.23**	42.28
	Deposits		-	**143.73**	415.49
	On unpaid dividend account		-	**34.51**	52.01
	Margin Money			**480.01**	-
(b)	Cheques/ Drafts-on-hand		-	**0.52**	-
(c)	Cash-on-hand		-	**20.68**	19.87
(d)	Margin money deposit	**137.00**	137.00	**-**	1.71
	Amount disclosed under Non-Current Assets (Refer Note No. 14.2)	**(137.00)**	(137.00)	-	-
	TOTAL	**-**	-	**1,587.07**	2,476.61

18 REVENUE FROM OPERATIONS

₹ in Lakhs

	Particulars	**For the year ended March 31, 2017**	For 18 months ended March 31, 2016
(a)	Sale of Products	**21,256.64**	38,480.78
(b)	Contract Revenue	**10,043.16**	23,393.39
	Add: Closing Contracts-in-progress	**1,242.72**	4,917.63
	Less: Opening Contracts-in-progress	**4,917.63**	1,770.38
		6,368.25	26,540.64
(c)	Erection, Job work and Services	**14,586.48**	17,117.75
(d)	Other Operating Revenues	**157.43**	564.69
	TOTAL	**42,368.80**	82,703.86

18.1 DISCLOSURES PURSUANT TO ACCOUNTING STANDARD 7 - CONSTRUCTIONS CONTRACTS

₹ in Lakhs

Particulars	**For the year ended March 31, 2017**	For 18 months ended March 31, 2016
Contract Revenue recognized during the year	**6,368.25**	26,540.64
Aggregate amount of contract cost incurred and recognised profits (less recognised losses) during the year	**6,368.25**	26,540.64
Customer advances outstanding for contracts in progress	**11,260.56**	12,652.22
Retention money due from customers for contracts in progress	**19,456.91**	19,518.85
"Gross amount due from customers for contract work (presented as Contracts-in-progress)"	**4,130.62**	5,912.66
Gross amount due to customers for contract work (presented as Dues to Customers relating to Contracts in progress under Other Current Liabilities - Refer Note No. 10)	**2,887.90**	995.03

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

18.2 PARTICULARS OF SALE OF PRODUCTS & SERVICES (NET OF EXCISE DUTY)

₹ in Lakhs

	Particulars	For the year ended March 31, 2017	For 18 months ended March 31, 2016
a)	Sugar Mill Machinery	**2,392.53**	15,461.95
b)	High speed Centrifugals	**1,605.42**	1,832.33
c)	Gear Boxes	**4,003.24**	3,326.38
d)	Special Products	**8,961.66**	16,754.21
e)	Water Tube Boilers	**3,384.32**	8,303.53
f)	Cement Making Plant	**2,457.04**	4,611.64
g)	Mineral Processing	**-**	46.99
h)	Castings	**4,700.04**	6,902.77
i)	Pressure Gauges	**1,217.80**	2,142.87
j)	Erection, Jobwork, Services	**14,586.48**	17,117.75
k)	Contracts-in-progress (Net)	**(3,674.91)**	3,147.25
	TOTAL	**39,633.62**	79,647.67

18.3 OTHER OPERATING REVENUE

₹ in Lakhs

	Particulars	For the year ended March 31, 2017	For 18 months ended March 31, 2016
(a)	Export Drawback	**45.80**	239.97
(b)	Sale Of Scrap	**111.63**	194.63
(c)	Other Export Incentives	**-**	130.09
	TOTAL	**157.43**	564.69

19 OTHER INCOME

₹ in Lakhs

	Particulars	For the year ended March 31, 2017	For 18 months ended March 31, 2016
a)	Interest Income	**145.76**	35.27
b)	Dividend	**1.06**	21.63
c)	Rent	**6.44**	20.54
d)	Occupation fees	**11.12**	6.15
e)	Profit on sale of Investments	**-**	174.26
f)	Profit on sale of Fixed Assets	**11.85**	21.04
g)	Recovery of Bad Debts written off in earlier years	**133.49**	-
h)	Provision no longer required, written back	**-**	27.37
i)	Miscellaneous Income	**20.74**	49.29
j)	Sundry Creditors Written Back	**6.42**	168.86
	TOTAL	**336.88**	524.41

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

20 COST OF MATERIALS CONSUMED

₹ in Lakhs

Particulars		For the year ended March 31, 2017	For 18 months ended March 31, 2016
(A) Raw Materials consumed			
a)	Plates, Sheets, Beams & Steel Materials	**683.35**	1,456.93
b)	Steel Scrap	**2,079.79**	3,581.58
c)	Castings	**1,972.70**	3,939.54
d)	Pig Iron	**1.73**	149.47
e)	Ferro Alloys	**203.63**	61.75
f)	Bought out Components etc.	**10,257.20**	25,539.41
g)	Material Consumed at Sites	**107.82**	148.43
		15,306.22	34,877.11
(B) Stores and Spares consumed		**1,730.29**	2,228.01
	TOTAL	**17,036.51**	37,105.12

20.1 PARTICULARS OF RAW MATERIALS CONSUMED

₹ in Lakhs

Particulars	For the year ended March 31, 2017		For 18 months ended March 31, 2016	
	₹ in Lakhs	**%**	₹ in Lakhs	%
Imported	**526.70**	**3.44**	878.56	2.52
Indigenous	**14,779.52**	**96.56**	33,998.55	97.48
TOTAL	**15,306.22**	**100.00**	34,877.11	100.00

20.2 PARTICULARS OF STORES & SPARES CONSUMED

₹ in Lakhs

Particulars	For the year ended March 31, 2017		For 18 months ended March 31, 2016	
	₹ in Lakhs	**%**	₹ in Lakhs	%
Imported	**73.07**	**4.22**	100.44	4.51
Indigenous	**1,657.22**	**95.78**	2,127.57	95.49
TOTAL	**1,730.29**	**100.00**	2,228.01	100.00

21 SUB-CONTRACTING EXPENSES, PROCESSING CHARGES AND OTHER DIRECT COSTS

₹ in Lakhs

Particulars		For the year ended March 31, 2017	For 18 months ended March 31, 2016
(a)	Sub-contracting Expenses and Processing Charges	**2,320.75**	8,714.20
(b)	Forwarding, Selling and Service	**458.70**	2,559.28
	TOTAL	**2,779.45**	11,273.48

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

22 CHANGES IN INVENTORIES OF FINISHED GOODS & WORK-IN-PROGRESS

₹ in Lakhs

Particulars		For the year ended March 31, 2017	For 18 months ended March 31, 2016
Stock at close:			
(a) Finished Products		**131.95**	118.76
(b) Work-in-Progress		**13,109.89**	14,787.33
(c) Finished Goods in Transit		**5.04**	4.99
	SUB-TOTAL (A)	**13,246.88**	14,911.08
Stock at Commencement:			
(a) Finished Products		**118.76**	138.89
(b) Work-in-Progress		**14,787.33**	18,097.58
(c) Finished Goods in Transit		**4.99**	31.97
	SUB-TOTAL (B)	**14,911.08**	18,268.44
	TOTAL (B) - (A)	**1,664.20**	3,357.36

23 EMPLOYEES BENEFITS EXPENSES

₹ in Lakhs

Particulars		For the year ended March 31, 2017	For 18 months ended March 31, 2016
(a) Salaries, Wages, Bonus		**7,397.52**	12,169.67
(b) Contribution to Provident Fund, Gratuity and Other Funds		**831.53**	1,290.99
(c) Staff Welfare Expenses		**11.68**	121.92
	TOTAL	**8,240.73**	13,582.58

24 FINANCE COST

₹ in Lakhs

Particulars		For the year ended March 31, 2017	For 18 months ended March 31, 2016
Interest Expenses:			
(a) Term Loans		**2,216.31**	2,441.21
(b) Working Capital Loans		**3,320.70**	4,367.38
(c) Others		**93.09**	158.35
(d) Other Borrowing Costs		**1,320.24**	2,011.15
	TOTAL	**6,950.34**	8,978.09

25 DEPRECIATION AND AMORTISATION EXPENSES

₹ in Lakhs

Particulars		For the year ended March 31, 2017	For 18 months ended March 31, 2016
Depreciation and amortisation		**3,892.97**	6,618.44
Less: Transferred from Revaluation Reserve (Refer Note Number 3)		**2,076.49**	3,234.49
	TOTAL	**1,816.48**	3,383.95

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

26 OTHER EXPENSES

₹ in Lakhs

Particulars	For the year ended March 31, 2017	For 18 months ended March 31, 2016
a) Power and Fuel	**1,182.18**	1,681.26
b) Repairs & Maintenance:		
i) Buildings	**32.85**	43.06
ii) Machinery	**113.69**	170.94
iii) Other Assets	**159.52**	260.78
c) Rent	**85.90**	557.08
d) Rates and taxes	**167.36**	240.09
e) Insurance	**216.82**	542.61
f) Travelling and Conveyance	**305.54**	610.16
g) Legal and Professional Fees	**457.51**	1,017.67
h) Bank Charges	**53.74**	92.91
i) Electricity Charges	**103.85**	177.10
j) Site Office Expenses	**460.97**	579.25
k) Telephone, Postage, Printing Expenses	**131.85**	182.14
l) Administrative and Other Expenses	**677.70**	1,424.57
m) BG Invocation Charges	**-**	46.39
n) Prior Period Expenses	**-**	25.01
o) Selling Commission	**58.88**	54.77
p) Bad debts written-off	**-**	20.37
q) Provision for Doubtful debts	**-**	947.76
r) Donations	**0.01**	0.44
s) Loss on Sale of Assets	**-**	13.88
	4,208.37	8,688.24

26.1 PAYMENT TO AUDITORS (EXCLUDING SERVICE TAX)

₹ in Lakhs

Particulars	For the year ended March 31, 2017	For 18 months ended March 31, 2016
Administrative and other expenses includes payment made to auditor as under:		
(a) Audit Fees	**10.00**	10.00
(b) Taxation, Limited Review, Company Law matters and Others	**12.90**	27.50
(c) In Other Capacity	**0.19**	-
(d) Reimbursement of out of pocket expenses	**0.12**	0.90
TOTAL	**23.21**	38.40

26.2 EARNINGS IN FOREIGN CURRENCY

₹ in Lakhs

Particulars	For the year ended March 31, 2017	For 18 months ended March 31, 2016
Export of goods calculated on FOB basis	**3,682.59**	13,599.84
Others	**94.76**	834.97
Overseas Site - Zambia	**4.26**	0.07
TOTAL	**3,781.61**	14,434.88

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

26.3 VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF

₹ in Lakhs

Particulars	For the year ended March 31, 2017	For 18 months ended March 31, 2016
Raw Materials	**530.76**	860.21
Components & Spare parts	**73.07**	100.44
TOTAL	**603.83**	960.65

26.4 EXPENDITURE IN FOREIGN CURRENCY

₹ in Lakhs

Particulars	For the year ended March 31, 2017	For 18 months ended March 31, 2016
Technical fees (net of Tax)	**-**	0.43
Travelling expenses	**98.87**	66.37
Commission and Others	**-**	90.81
Overseas Site - Ethiopia	**465.04**	750.12
Overseas Site - Zambia	**8.39**	19.85
TOTAL	**572.30**	927.58

27 EXCEPTIONAL ITEMS

₹ in Lakhs

Particulars	For the year ended March 31, 2017	For 18 months ended March 31, 2016
Profit on Sale of Non-current Investment (Net of expenses incurred on sale) Nil (Previous Year Sale of 1,25,900 shares of HDFC Limited)	**-**	925.33
Provision against Liquidated damages (1)	**(572.01)**	(1,055.11)
Provision against long outstanding sundry debtors (2)	**(453.33)**	(137.81)
Provision against advance to suppliers	**-**	(389.12)
Provision against Stock lying with third parties (3)	**(157.24)**	(354.38)
TOTAL	**(1,182.58)**	(1,011.09)

(1) As per the Accounting Policy, company has made a provision for claims related to liquidated damages imposed by the customers upto the period ended as on 31st March 2015. However in the opinion of the Management the delays are not completely attributable to it and has submitted waiver applications and shall continue to pursue the same for waiver.

(2) The Company has made a provision for certain old balances outstanding in respect of sundry Debtors. However Management shall continue to pursue to recover the same.

(3) A provision on account of stock laying with the Sub contractors is made. However Management shall continue to pursue to get back the stock lying with the sub contractors.

28.1 The Income Tax liability provided during the current year denotes additional actual income tax liability in respect of earlier years as a result of order under section 245 D(4) of the Income Tax Act.

28.2 As at the end of the year company has reversed the Deferred tax Asset amounting to ₹ 1901.01 Lakhs created in the earlier years, as a major of prudence in view of Accounting Standard 22 on Accounting for Taxes.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

29 EARNINGS PER SHARE (BASIC AND DILUTED)

₹ in Lakhs

	Particulars	For the year ended March 31, 2017	For 18 months ended March 31, 2016
i)	Net Profit/ (Loss) after Tax as per Statement of Profit and loss attributable to Equity Shareholders	**(6,425.63)**	(7,168.45)
ii)	Weighted average no of equity shares of ₹ 2 Each outstanding during the year	**38,070,205**	38,070,205
iii)	Earning per Share of face value of ₹ 2 each	**(16.88)**	(18.83)

30 RELATED PARTY DISCLOSURES

Related party disclosures as required under Accounting Standard 18 (Related Party Disclosures), specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 are given below:

(i) Individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise and relatives of any such individual:

Name of the individual	:	**Designation / Relation**
Mr. Chakor L. Doshi	:	Chairman
Mrs. Champa C. Doshi	:	Wife
Mr. Chirag C. Doshi	:	Son
Mrs. Kanika G. Sanger	:	Daughter
Mrs. Tanaz Chirag Doshi	:	Daughter-in-law

(ii) Key Management personnel and relatives:

Name of the individual	:	**Designation / Relation**
Mr. G. K. Pillai	:	Managing Director & CEO
Mr. Chirag C. Doshi	:	Managing Director
Mr. G. S. Agrawal	:	Vice President (Legal & Taxation) & Company Secretary
Mr. Vivek Jain	:	Chief Financial Officer

iii) Enterprises over which any person described in (i) or (ii) above are able to exercise significant influence:

Bombay Cycle & Motor Agency Ltd. (BCMA)
Walchand Great Achievers Pvt. Ltd.
Walchand Kamdhenu Commercials Pvt. Ltd.
Walchand Chiranika Trading Pvt. Ltd.
Chakor Doshi HUF
Chirag Doshi HUF
Chiranika Enterprises
Chiranika Corporation
Chiranika Properties
Walchand Botanicals Pvt. Ltd.
Rodin Holdings Inc.
Walchand Ventures LLP
G. S. Agrawal HUF
Olsson Holdings Inc.
Vinod Shashank Chakor Pvt. Ltd.
Chirag Enterprises
Walchand Engineers Pvt. Ltd.
Walchand Projects Pvt. Ltd.
Walchand Power Systems Pvt. Ltd.
Walchand Oil & Gas Pvt. Ltd.
Walchand Leisure Realty Pvt. Ltd.
Walchand BMH Pvt. Ltd.
Walchand Solar Pvt. Ltd.
Trust Finlease Pvt. Ltd.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Details of transactions relating to the individuals / enterprises referred to in item (i), (ii) and (iii) above are as follows. The same are in the ordinary course of business.

₹ in Lakhs

Particulars	Individuals mentioned in (i) above	Key Management Personnel as mentioned in (ii) above	Relatives of Key Management Personnel as mentioned in (ii) above	Enterprises mentioned in (iii) above	Total
	Current Year	**Current Year**	**Current Year**	**Current Year**	**Current Year**
	Previous Year	Previous Year	Previous Year	Previous Year	Previous Year
Receiving of Services					
Mrs. Champa C. Doshi	**-**	**-**	**3.44**	**-**	**3.44**
	-	-	30.99	-	30.99
Mrs. Tanaz C. Doshi	**-**	**-**	**3.25**	**-**	**3.25**
	-	-	29.21	-	29.21
Mr. Chakor L. Doshi	**1.60**	**-**	**-**	**-**	**1.60**
	134.40	-	-	-	134.40
Mr. Chakor L. Doshi (Director Fees)	**-**	**-**	**-**	**-**	**-**
	8.50	-	-	-	8.50
Bombay Cycle & Motors Agency Ltd.	**-**	**-**	**-**	**41.88**	**41.88**
	-	-	-	107.74	107.74
Sub-Total	**1.60**	**-**	**6.69**	**41.88**	**50.17**
	142.90	-	60.20	107.74	310.84
Interest on ICD					
M/s Walchand Great Achievers Pvt. Ltd.	**-**	**-**	**-**	**291.52**	**291.52**
	-	-	-	0.28	0.28
M/s. Walchand Kamdhenu Commercials Pvt. Ltd.	**-**	**-**	**-**	**337.68**	**337.68**
	-	-	-	0.20	0.20
M/s. Walchand Chiranika Trading Pvt. Ltd.	**-**	**-**	**-**	**4.08**	**4.08**
	-	-	-	0.09	0.09
Sub-Total	**-**	**-**	**-**	**633.28**	**633.28**
	-	-	-	0.57	0.57
Reimbursement of Expenses					
M/s. Walchand Kamdhenu Commercials Pvt. Ltd.	**-**	**-**	**-**	**23.73**	**23.73**
	-	-	-	-	-
M/s Walchand Great Achievers Pvt. Ltd.	**-**	**-**	**-**	**16.98**	**16.98**
	-	-	-	-	-
Sub-Total	**-**	**-**	**-**	**40.71**	**40.71**
	-	-	-	-	-
Managerial Remuneration					
Mr. Chirag C. Doshi	**-**	**101.79**	**-**	**-**	**101.79**
	-	152.93	-	-	152.93
Mr. G. K. Pillai	**-**	**99.84**	**-**	**-**	**99.84**
	-	165.34	-	-	165.34
Sub-Total	**-**	**201.63**	**-**	**-**	**201.63**
	-	318.27	-	-	318.27

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

₹ in Lakhs

Particulars	Individuals mentioned in (i) above	Key Management Personnel as mentioned in (ii) above	Relatives of Key Management Personnel as mentioned in (ii) above	Enterprises mentioned in (iii) above	Total
	Current Year	**Current Year**	**Current Year**	**Current Year**	**Current Year**
	Previous Year	Previous Year	Previous Year	Previous Year	Previous Year
Leasing or Hire Purchase Arrangements					
Mr. Chirag C. Doshi (HUF)	**-**	**-**	**-**	**-**	**-**
	-	-	-	3.01	3.01
Mrs. Kanika G. Sanger	**-**	**-**	**-**	**-**	**-**
	-	-	16.67	-	16.67
Mr. Chakor L. Doshi (HUF)	**-**	**-**	**-**	**-**	**-**
	-	-	-	3.87	3.87
Mr. Chakor L. Doshi	**-**	**-**	**-**	**-**	**-**
	11.91	-	-	-	11.91
Walchand Great Achievers Pvt. Ltd.	**-**	**-**	**-**	**-**	**-**
	-	-	-	2.90	2.90
Bombay Cycle & Motors Agency Ltd.	**-**	**-**	**-**	**-**	**-**
	-	-	-	35.44	35.44
Walchand Chiranika Trading Pvt. Ltd.	**-**	**-**	**-**	**-**	**-**
	-	-	-	0.54	0.54
Sub-Total	**-**	**-**	**-**	**-**	**-**
	11.91	-	16.67	45.76	74.34
Inter-Corporate Deposits - Received					
M/s Walchand Great Achievers Pvt. Ltd.	**-**	**-**	**-**	**4,370.00**	**4,370.00**
	-	-	-	199.00	199.00
M/s. Walchand Kamdhenu Commercials Pvt. Ltd.	**-**	**-**	**-**	**4,848.00**	**4,848.00**
	-	-	-	140.00	140.00
M/s. Walchand Chiranika Trading Pvt. Ltd.	**-**	**-**	**-**	**-**	**-**
	-	-	-	61.00	61.00
Sub-Total	**-**	**-**	**-**	**9,218.00**	**9,218.00**
	-	-	-	400.00	400.00
Inter-Corporate Deposits - Repayment					
M/s Walchand Great Achievers Pvt. Ltd.	**-**	**-**	**-**	**1,069.00**	**1,069.00**
	-	-	-	-	-
M/s. Walchand Kamdhenu Commercials Pvt. Ltd.	**-**	**-**	**-**	**488.00**	**488.00**
	-	-	-	-	-
M/s. Walchand Chiranika Trading Pvt. Ltd.	**-**	**-**	**-**	**61.00**	**61.00**
	-	-	-	-	-
Sub-Total	**-**	**-**	**-**	**1,618.00**	**1,618.00**
	-	-	-	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

₹ in Lakhs

Particulars	Individuals mentioned in (i) above	Key Management Personnel as mentioned in (ii) above	Relatives of Key Management Personnel as mentioned in (ii) above	Enterprises mentioned in (iii) above	Total
	Current Year	**Current Year**	**Current Year**	**Current Year**	**Current Year**
	Previous Year	Previous Year	Previous Year	Previous Year	Previous Year
Others					
Chirag C. Doshi	**-**	**0.48**	**-**	**-**	**0.48**
(Sale of Shares of Walchand Foundries Private Limited)	**-**	**-**	**-**	**-**	**-**
Sub-Total	**-**	**0.48**	**-**	**-**	**0.48**
	-	-	-	-	-
Outstanding Payable					
Mr. Chakor L. Doshi	**48.14**	**-**	**-**	**-**	**48.14**
	60.77	-	-	-	60.77
Indpro Electronic Systems India Pvt. Ltd.	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-
Bombay Cycle & Motors Agency Ltd.	**-**	**-**	**-**	**98.45**	**98.45**
	-	-	-	78.89	78.89
Walchand Chiranika Trading Pvt. Ltd.	**-**	**-**	**-**	**-**	**-**
	-	-	-	0.18	0.18
Mr. Chirag C. Doshi (HUF)	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-
Mr. Chakor L. Doshi (HUF)	**-**	**-**	**-**	**-**	**-**
	-	-	-	1.09	1.09
Walchand Great Achievers Pvt. Ltd.	**-**	**-**	**-**	**3,739.04**	**3,739.04**
	-	-	-	1.10	1.10
Mrs. Kanika G. Sanger	**-**	**-**	**-**	**-**	**-**
	-	-	8.33	-	8.33
Walchand Kamdhenu Commercials Pvt. Ltd.	**-**	**-**	**-**	**4,810.89**	**4,810.89**
	-	-	-	0.20	0.20
Sub-Total	**48.14**	**-**	**-**	**8,648.38**	**8,696.52**
	60.77	-	8.33	81.46	150.56

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

31 REVALUATION RESERVE AND FIXED ASSETS

The Company has a practice of revaluing its certain assets at certain intervals. On the basis of valuation reports submitted by approved valuers, M/s. D. K. Nagarseth & Associates, certain fixed assets comprising of Land, Building and Plant and Machineries were further revalued at Market Value/ Current Replacement Costs as at September 30, 2013 as follows:

₹ in Lakhs

Particulars	Cost/Book Value as at 30-Sep-13	Market Value / Replacement cost as at 30-Sep-13	Gross Amount Written up as at 30-Sep-13	Accumulated Depreciation on Value Written Up as at 30-Sep-13	Net Appreciation credited to Revaluation Reserve as on 30-Sep-13
Land	3,776.98	13,762.24	9,985.26	-	9,985.26
Buildings	23,961.35	43,450.35	19,489.00	3,676.85	15,812.15
Plant & Machinery	32,760.51	38,796.66	6,036.15	(3,819.92)	9,856.07
TOTAL	**60,498.84**	**96,009.25**	**35,510.41**	**(143.07)**	**35,653.48**

32 EMPLOYEE BENEFITS (REFER NOTE NO. 7)

The Disclosure in terms of Accounting Standard 15 (Revised) - Employee Benefits, notified under the Companies (Accounting Standards) Rules, read with rule 7 to the Companies (Accounts) Rules, 2014 in respect of Section 133 to the Companies Act, 2013, has been given on the basis of Actuarial Valuation Certificate for the period ended March 31, 2017 as below:

₹ in Lakhs

Sr. No.	Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
		Year ended 31st March 2017	18 months ended 31st March 2016	**Year ended 31st March 2017**	18 months ended 31st March 2016
I	**Expense recognised in the statement of Profit and Loss**				
(a)	Current Service Cost	**118.16**	185.20	**128.02**	130.21
(b)	Interest Cost	**105.33**	170.12	**13.06**	21.96
(c)	Actual return on plan assets	**(27.40)**	(76.23)	**NIL**	NIL
(d)	Actuarial Loss/(Gain)	**49.40**	(24.50)	**(86.66)**	(39.66)
(e)	Total Expense recognized in the Statement of Profit and Loss	**245.50**	254.59	**54.43**	112.51
II	**Net Liability recognized in the Balance Sheet**				
(a)	Present Value Defined Benefit Obligation	**1,279.20**	1,636.45	**188.67**	192.37
(b)	Fair Value of Plan Assets	**71.56**	676.55	**NIL**	NIL
(c)	Net Assets/(Liabilities)	**(1,207.64)**	(959.90)	**(188.67)**	(192.37)
III	**Change in Defined Benefit Obligation (DBO)**				
(a)	Present Value of Defined Benefit Obligation at the beginning of the year/period	**1,636.45**	1,615.58	**192.37**	166.79
(b)	Current Service Cost	**118.16**	185.20	**128.02**	130.21
(c)	Interest Cost	**105.33**	170.12	**13.06**	21.96
(d)	Actuarial Loss/(Gain)	**48.99**	(24.50)	**(86.66)**	(39.66)
(e)	Benefits Paid	**629.73**	309.95	**58.12**	86.93
(f)	Present Value of Defined Benefit Obligation at the year end	**1,279.20**	1,636.45	**188.67**	192.37

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

₹ in Lakhs

Sr. No.	Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
		Year ended 31st March 2017	18 months ended 31st March 2016	**Year ended 31st March 2017**	18 months ended 31st March 2016
IV	**Change in the Fair Value of Plan Assets**				
(a)	Plan Assets at the beginning of the year	**676.55**	1,023.85	**Nil**	Nil
(b)	Charges	**(10.47)**	N.A.	**N.A.**	N.A.
(c)	Actual Return on Plan Assets	**27.40**	76.23	**N.A.**	N.A.
(d)	Actual Company Contributions	**8.24**	12.00	**N.A.**	N.A.
(e)	Benefits paid	**(629.73)**	(435.53)	**N.A.**	N.A.
(f)	Actuarial Loss/(Gain) on plan assets	**(0.42)**	N.A.	**N.A.**	N.A.
(g)	Fair Value of Plan Assets	**71.56**	676.55	**Nil**	Nil
V	**Actuarial Assumptions**				
(a)	Discount Rate (per annum)	**7.33%**	7.97%	**7.33%**	8.00%
(b)	Expected Rate of Return on Assets (per annum)	**7.71%**	8.80%	**N.A.**	N.A.
(c)	Rate of Increase in Compensation Levels (per annum)	**3.50%**	3.50%	**3.50%**	4.00%
(d)	Mortality Table	**Indian Assured Lives Mortality (2006-08) Ultimate**	Indian Assured Lives Mortality (2006-08) Ultimate	**Indian Assured Lives Mortality (2006-08) Ultimate**	Indian Assured Lives Mortality (2006-08) Ultimate

33 SEGMENT REPORTING

I. PRIMARY SEGMENTS

₹ in Lakhs

Particulars	Heavy Engineering		Foundry and Machine Shop		Others		Total	
	2016-17	2014-16	**2016-17**	2014-16	**2016-17**	2014-16	**2016-17**	2014-16
Revenue:								
Net Revenue	**33,811.78**	72,208.68	**4,786.32**	6,147.35	**1,238.02**	1,990.48	**39,836.12**	80,346.51
Less: Inter-segment Revenue	**-**	-	**30.26**	120.60	**14.81**	13.55	**45.07**	134.15
	33,811.78	72,208.68	**4,756.06**	6,026.75	**1,223.21**	1,976.93	**39,791.05**	80,212.36
Results:								
Segment Result	**4,856.12**	5,737.28	**(134.56)**	(1,229.29)	**179.04**	225.52	**4,900.60**	4,733.51
Unallocable Expenses							**672.86**	1,623.41
Unallocable Income							**12.91**	21.63
Operating Profit							**4,240.65**	3,131.73
Finance Cost							**6,950.34**	8,978.09
Profit from ordinary activities							**(2,709.69)**	(5,846.36)
Add: Exceptional Items							**(1,182.58)**	(1,011.09)
Profit Before Tax							**(3,892.27)**	(6,857.45)
Taxes on Income							**2,533.36**	311.00
Profit after Tax							**(6,425.63)**	(7,168.45)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

₹ in Lakhs

Particulars	Heavy Engineering		Foundry and Machine Shop		Others		Total	
	2016-17	2014-16	**2016-17**	2014-16	**2016-17**	2014-16	**2016-17**	2014-16
Other information:								
Segment Assets	**117,519.18**	120,761.99	**5,886.72**	6,290.57	**4,383.11**	4,333.19	**127,789.01**	131,385.75
(including revaluation)								
Unallocated Corporate Assets							**4,366.65**	8,442.70
Total Assets							**132,155.66**	139,828.45
Segment Liabilities	**76,350.06**	75,875.62	**3,029.06**	2,971.13	**188.17**	236.36	**79,567.29**	79,083.11
Unallocated Corporate Liabilities							4,895.79	4,550.63
Total Liabilities							**84,463.08**	83,633.74
Capital Expenditure	**335.95**	1,353.15	**5.08**	11.32	**1.14**	3.24	**342.17**	1,367.71
Unallocated Capital Expenditure							**-**	-
							342.17	1,367.71
Depreciation	**1,639.70**	2,977.72	**76.00**	300.98	**8.75**	15.17	**1,724.45**	3,293.87
(Net of Revaluation)								
Unallocated Depreciation							**92.03**	90.08
Total Depreciation							**1,816.48**	3,383.95
Non Cash Expenses (other than depreciation)								
Allocated Non Cash Expenses	**1,025.34**	2,056.88					**1,025.34**	2,056.88
Unallocated Non Cash Expenses							**-**	-
Total Non Cash Expenses							**1,025.34**	2,056.88

II. SECONDARY SEGMENTS

₹ in Lakhs

Particulars	Heavy Engineering		Foundry and Machine Shop		Others		Total	
	2016-17	2014-16	**2016-17**	2014-16	**2016-17**	2014-16	**2016-17**	2014-16
External Revenue by Location of Customers							**3,942.78**	14,944.07
Total Carrying Amount of Segment Assets							**8,362.26**	9,958.56
(to the extent allocable)								
Capital expenditure							**36.94**	42.39

34 CONTINGENT LIABILITIES AND COMMITMENTS ₹ in Lakhs

(a) Claims against the company not acknowledged as debt

(a) Demand of Non Agricultural (NA) Tax of ₹ 161.37 lakhs is raised by Tahshildar, Indapur (Previous year ₹ 161.37 lakhs) out of which ₹ 20 lakhs is paid under protest by the company. No provision has been made in the accounts as the company has not accepted the liability and the matter is sub-judice.

(b) Demand on account of fixation of Annual Rateable Value of Property at Pune, amounting to ₹ 89.32 lakhs (for the period 1.4.2008 to 31.3.2017) was raised by the local authorities (Previous year ₹ 325.07 lakhs). No provision has been made in the books of accounts. The Company has not accepted the liability and the same is sub-judice.

(c) The Central Excise Authorities have raised a demand of ₹ 266.19 lakhs (Previous Year ₹ 266.19 lakhs) (Net of CENVAT Reversal and Payment) denying the exemption from the excise duty on non-conventional energy devices/ systems supplied by the Company. The Company has disputed the demand and has preferred an appeal which is pending before CESTAT, Mumbai. On the basis of legal opinion, the Company does not accept any liability.

(d) The Central Excise Authorities have raised a demand of ₹ 82.73 lakhs (Previous Year ₹ 82.73 lakhs) on bought out items supplied for Centrifugals, which has already suffered duty at manufacturers' end. The Company has disputed the demand and has preferred an appeal which is pending before the Supreme court. Company has discharged a liability of ₹ 29.45 lakhs by reversal of CENVAT availed and paid ₹ 10 lakhs under protest (included under the head loans and advances). On the basis of legal opinion, the Company does not expect any liability.

(e) The sales Tax Authority, Maharashtra has raised demand of ₹ 159.83 lakhs (Previous Year ₹ 159.83 lakhs) as per section 6(2) of the Central Sales Tax Act,1956. The Company has paid ₹ 30.00 lakhs under protests (included under the head loans and advances). The appeal has been dismissed by the Sales Tax Appellate Commissioner, and the company has preferred to appeal to the Tribunal.On the basis of legal opinion the Company does not expect any liability.

(f) Service Tax demand of ₹ 362.65 lakhs(Previous Year ₹ 362.65 lakhs) on sale of bought out items has been raised by the concerned authorities. The company has discharged liability of ₹ 28.76 lakhs by way of CENVAT reversal under protest and has preferred an appeal which is pending before the CESTAT.

(g) Company has received a demand of ₹ 50.68 lakhs from Employee's Provident Fund office (previous year ₹ 50.68 lakhs). The company has contested the demand raised, and filled a writ petition with Mumbai High Court. No provision is being made against the same based on the legal advise.

(h) Certain cases filled against the company by the Ex-employees of Heavy Engineering Division and Foundry Division for compensation are pending before the labour courts - Amounts unascertained.

(i) The Central Excise Authorities have raised demand of ₹ 2.47 lakhs (Previous Year ₹ 2.47 lakhs) on bought out items supplier for centrifugals, which has already suffered duty at manufacturers end. The company had disputed demand of ₹ 2.47 lakhs before CESTAT against order passed by Commissioner (Appeals). The Stay order has been granted and ₹ 0.50 lakhs paid as ordered by CESTAT.

(j) Certain customers of the Company have deducted Liquidated Damages amounting to ₹ 664.09 Lakhs (previous year ₹ 620.09 lakhs) during the current period due to delays in supplies / services. The Company contends that the delays are not attributable to it and has submitted the waiver applications to these parties. Based on past experience, the Company is confident of getting these Liquidated Damages waived.

(k) Company has received a demand from a MSME creditor for interest amounting to ₹ 45.74 lakhs (Net), which has not being accepted as a liability as the same is contested.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

₹ in Lakhs

		As at March 31, 2017	As at March 31, 2016
(b)	**Guarantees**		
	Counter Guarantees by the company in respect of guarantees given by banks (including guarantee on account of erstwhile Machine Tool Division of ₹ 3.55 lakhs)	**27,270.30**	29,349.62
(c)	**Commitments**		
	Estimated amount of Contracts remaining to be executed on Capital Accounts not provided for (Net of advance)	**293.30**	311.28

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable. The Company does not expect the outcome of these proceedings to have materially adverse effect.

35 After the Companies Act 2013 coming in to force, the company has changed the accounting year ending from September to March. As a result the previous accounting year comprises of a period of eighteen months ending 31st March, 2016, therefore the figures for the current accounting year are not comparable with the previous accounting year which is comprising of 18 months.

36 Disclosure on Specified Bank Notes (SBN's) - During the year, the company had specified Bank notes or other denomination notes as defined in the MCA notification GSR 308 (E) dated 31st March, 2017 on the details of specified bank notes (SBN's) held and transacted during the period from 8th November, 2016 to 30th December, 2016, the denomination wise SBN's and other notes as per the notification is given below.

Amount in ₹

Particulars	**SBNs**	**Other denomination notes**	**Total**
Closing cash in hand as on 08.11.2016	1,055,000	328,306	1,383,306
(+) Permitted receipts / Amounts withdrawn from banks	-	2,316,466	2,316,466
Sub-Total	**1,055,000**	**2,644,772**	**3,699,772**
(-) Permitted payments	7,500	2,339,548	2,347,048
(-) Amount deposited in Banks	1,047,500	-	1,047,500
Sub-Total	**1,055,000**	**2,339,548**	**3,394,548**
Closing cash in hand as on 30.12.2016	**-**	**305,224**	**305,224**

37 The Company has already given the instructions to the Bank to transfer the amount of Unclaimed Preference Shares Redemption Account of ₹ 1.44 lacs to Investor Education and Protection Fund. However, since the Bank Account is very old, KYC has to be updated due to change in Signatories of the company and after KYC updation, the amount will be transferred to Investor Education and Protection Fund.

38 Previous year's figures have been regrouped / reclassified / rearranged wherever necessary, to conform to current year's presentation.

As per our report attached

For K. S. AIYAR & Co.
Chartered Accountants
FRN: 100186W

Satish K. Kelkar
Partner
Membership No: 38934

Date : 26.05.2017
Place : Mumbai

G. K. Pillai
Managing Director & C.E.O.

Chirag C. Doshi
Managing Director

Chakor L. Doshi
Chairman

G. S. Agrawal
Vice President (Legal & Taxation)
& Company Secretary

Date : 26.05.2017
Place : Mumbai

G. N. Bajpai
Director

Vivek Jain
Chief Financial Officer

WALCHANDNAGAR

Important Statistical Data from 1908-09 to 2016-2017

₹ in Lakhs

Year	Paid up Capital		Reserves & Surplus	Debentures	Fixed Assets		Sales	Net Profit	Dividend paid on Pref. and Equity Shares	Equity Dividend
	Equity	Preference			Gross Block	Net Block				
1908-1909	2.50	2.83	–	–	3.50	3.50	10.14	0.28	0.93	4%
1909-1910	2.50	3.48	–	–	3.81	3.70	2.06	0.53	0.37	5%
1910-1911	2.50	3.50	–	–	4.08	3.95	2.11	0.71	0.39	6%
1911-1912	2.50	3.50	–	–	4.45	4.28	1.60	0.25	0.39	6%
1912-1913	2.50	3.50	–	–	4.34	4.18	1.58	0.34	0.24	–
1913-1914	2.50	3.50	–	–	4.88	3.90	2.71	1.10	0.39	6%
1914-1915	2.50	3.50	0.25	6.00	5.29	3.82	1.98	0.46	0.34	4%
1915-1916	2.50	3.50	0.25	5.75	5.17	3.60	2.35	0.82	0.34	4%
1916-1917	2.50	3.50	0.39	5.50	5.16	3.41	2.62	1.10	0.39	6%
1917-1918	2.50	3.50	0.64	5.25	5.33	3.34	1.97	0.40	0.24	–
1918-1919	2.50	3.50	0.64	4.75	5.31	2.88	2.03	0.44	0.12	–
1919-1920	2.50	3.50	0.64	4.75	5.31	2.88	2.03	0.44	0.12	–
1920-1921	2.50	3.50	0.91	4.50	5.61	3.27	3.53	1.56	0.64	6%
1921-1922	2.50	3.50	1.21	4.25	5.97	3.17	5.56	3.12	0.92	20%
1922-1923	2.50	3.50	2.16	4.00	6.11	3.01	3.32	1.32	0.42	7%
1923-1924	2.50	3.50	2.95	3.75	6.33	3.03	3.14	1.11	0.42	7%
1924-1925	2.50	3.50	3.27	3.50	5.98	2.19	3.42	1.17	0.48	8%
1925-1926	2.50	3.50	3.42	3.25	6.12	1.76	2.68	1.04	0.48	8%
1926-1927	2.50	3.50	3.41	–	6.60	1.96	1.85	0.47	0.24	–
1927-1928	2.50	3.50	3.76	–	6.75	1.94	1.27	0.23	0.24	–
1928-1929	2.50	3.50	3.75	–	6.89	2.08	0.55	0.02	–	–
1929-1930	2.50	3.50	3.38	–	6.16	1.61	0.14	–1.11	0.49	–
1930-1931	2.50	3.50	1.92	–	6.21	1.72	0.25	–0.01	0.24	–
1931-1932	2.50	3.50	1.97	–	5.86	1.37	0.32	–0.24	0.24	–
1932-1933	2.50	3.50	1.83	–	5.80	1.31	0.26	–0.01	0.24	–
1933-1934	2.50	3.50	2.01	4.00	13.37	8.88	0.07	–0.08	0.24	–
1934-1935	2.50	3.50	1.86	4.00	16.68	11.19	0.70	–0.12	0.24	–
1935-1936	2.50	3.50	1.06	4.00	17.19	17.19	1.38	0.01	0.24	–
1936-1937	2.50	3.50	1.09	3.67	19.16	19.16	15.66	0.26	–	–
1937-1938	2.50	3.50	1.57	3.20	19.74	19.49	19,67	0.73	0.53	–
1938-1939	10.00	3.50	3.99	3.03	22.89	15.19	20.55	3.14	2.24	20%
1939-1940	10.00	3.50	8.46	2.82	44.51	33.81	31.15	8.24	2.42	20%
1940-1941	10.00	3.50	12.56	23.22	51.11	36.66	54.61	6.52	2.82	24%
1941-1942	10.00	3.50	13.33	30.02	64.79	45.89	39.88	3.58	2.82	24%
1942-1943	10.00	3.50	25.87	30.02	71.09	47.94	54.89	15.38	4.02	36%
1943-1944	10.00	3.50	44.30	30.00	77.01	49.36	83.32	22.42	4.02	36%
1944-1945	23.50	3.50	51.72	48.26	83.19	51.54	78.12	14.13	6.45	36%
1945-1946	23.50	3.50	80.06	50.00	92.20	56.55	85.98	5.72	5.36	21%
1946-1947	50.50	3.50	51.68	50.00	107.09	66.94	75.50	0.70	0.24	–
1947-1948	101.00	3.50	28.27	50.00	128.27	78.12	151.55	40.07	10.47	10%
1948-1949	101.00	3.50	36.60	50.00	135.46	75.37	133.24	10.44	17.92	17.5%
1949-1950	101.00	3.50	33.62	50.00	157.64	89.23	147.72	14.72	12.36	12%
1950-1951	101.00	3.50	45.50	45.00	165.03	86.81	185.38	23.48	14.38	14%
1951-1952	101.00	3.50	59.20	45.00	177.67	91.12	216.26	25.52	14.38	14%

Important Statistical Data from 1908-09 to 2016-2017

₹ in Lakhs

Year	Paid up Capital		Reserves & Surplus	Debentures	Fixed Assets		Sales	Net Profit	Dividend paid on Pref. and Equity Shares	Equity Dividend
	Equity	Preference			Gross Block	Net Block				
1952-1953	101.00	3.50	68.09	45.00	185.81	89.24	190.50	23.03	14.38	14%
1953-1954	101.00	3.50	79.40	45.00	190.33	85.90	196.24	25.47	16.40	16%
1954-1955	101.00	3.50	91.72	45.00	204.70	89.38	189.72	27.95	18.42	18%
1955-1956	101.00	3.50	110.22	25.76	228.81	129.62	214.63	33.00	21.46	21%
1956-1957	101.00	3.50	128.00	25.00	271.48	165.02	246.90	38.98	21.46	21%
1957-1958	101.00	3.50	122.12	25.00	295.28	177.60	354.05	27.96	21.46	21%
1958-1959	101.00	50.00	125.94	25.00	347.35	218.28	403.17	19.01	23.97	20%
1959-1960	101.00	50.00	135.33	100.00	426.90	280.79	390.72	19.92	20.15	15%
1960-1961	150.94	50.00	135.11	100.00	460.83	277.21	402.82	16.34	22.04	15%
1961-1962	151.49	50.00	128.43	100.00	498.28	288.76	538.39	14.38	23.12	12%
1962-1963	151.50	50.00	162.44	100.00	510.73	274.82	575.63	25.34	23.18	12%
1963-1964	151.50	50.00	72.36	100.00	520.54	268.37	550.69	30.21	26.21	14%
1964-1965	151.50	50.00	188.12	75.00	535.57	270.25	463.39	19.72	26.21	14%
1965-1966	151.50	50.00	226.65	75.00	592.61	354.43	510.47	16.76	23.18	12%
1966-1967	181.80	50.00	203.15	75.00	624.84	357.01	559.21	10.33	23.18	10%
1967-1968	181.80	50.00	238.75	75.00	850.16	357.03	788.52	50.72	26.82	12%
1968-1969	181.80	50.00	231.56	75.00	667.18	342.72	1041.56	16.38	23.18	10%
1969-1970	181.80	50.00	110.85	75.00	714.09	392.12	1074.80	–95.32	–	–
1970-1971	181.80	50.00	182.61	75.00	729.20	379.12	997.74	7.17*	–	–
1971-1972	181.80	50.00	208.36	75.00	762.77	335.97	1300.06	64.47	10.00	–
1972-1973	181.80	50.00	306.46	75.00	801.21	333.03	1649.72	86.62	31.62	12%
1973-1974	181.80	50.00	331.70	75.00	873.04	357.31	2184.57	48.71	19.00	7.70%
1974-1975	181.80	50.00	393.41	75.00	959.60	395.57	2453.00	58.15	26.82	12%
1975-1976	181.80	50.00	423.49	75.00	1058.21	423.44	2421.71	96.07	32.27	15%
1976-1977	182.98	50.00	423.04	73.82	1081.47	379.54	1970.06	40.83	32.33	15%
1977-1978	200.30	50.00	572.12	98.79	1772.72	1017.81	3615.05	195.77	33.75	15%
1978-1979	200.30	50.00	808.57	98.79	1920.74	1087.31	5031.11	263.06	37.05	16%
1979-1980	200.30	50.00	898.16	94.13	2131.56	1189.78	5572.98	121.30	37.05	16%
1980-1981	200.30	50.00	1104.94	69.46	2307.98	1248.17	5958.51	203.11	37.05	16%
1981-1982	200.30	50.00	1175.52	54.75	2441.32	1260.11	5754.26	111.63	41.05	18%
1982-1984 (18 Months)	300.45	50.00	**5401.27	40.14	11118.29	@5446.17	12715.01	230.15	79.61	24%
1984-1985	300.45	50.00	4735.39	20.00	11233.15	5169.87	10763.79	125.64	53.07	16%
1985-1986	300.45	50.00	**4833.16	20.00	$12388.57	$$6322.02	9132.83	797.64*	–	–
1986-1987 (18 Months)	300.45	50.00	3538.79	20.00	10104.10	4915.55	10720.82	288.05*	–	–
1987-1988	300.45	50.00	3425.37	20.00	10074.99	4874.42	6140.79	0.94*	–	–
1988-1989	300.45	50.00	2819.95	20.00	9319.14	4306.41	7595.22	16.14*	–	–
1989-1990	300.45	50.00	**5647.33	20.00	(i)12893.64	(ii)6995.49	7129.48	35.57*	–	–
1990-1991	300.45	50.00	5132.30	20.00	13003.87	6094.85	8892.12	202.29	***68.55	12%
1991-1992	300.45	50.00	**11174.24	8.00	(iii)20403.10	(iv)11308.30	8871.05	849.60	65.09	20%
1992-1993	300.45	–	1059.55	–	20399.72	10203.16	9214.26	516.21	63.37	20%
1993-1994	300.45	–	10363.94	–	20423.66	9283.57	11361.56	705.72	60.09	20%
1994-1995	300.45	–	10677.14	–	20746.33	8636.18	16492.32	1195.74	75.11	25%

Important Statistical Data from 1908-09 to 2016-2017

₹ in Lakhs

Year	Paid up Capital		Reserves & Surplus	Debentures	Fixed Assets		Sales	Net Profit	Dividend paid on Pref. and Equity Shares	Equity Dividend
	Equity	Preference			Gross Block	Net Block				
1995-1996	300.45	–	11283.01	–	21304.33	8306.83	18899.01	1452.15	82.62	27.5%
1996-1997	300.45	–	18822.30	–	(v)30470.60	(vi)15925.70	16600.58	979.22	82.62	27.5%
1997-1998	300.45	–	18291.16	–	30730.43	14650.54	17466.30	795.01	82.62	27.5%
1998-1999	300.45	–	17504.50	–	30983.72	13221.69	21006.70	738.52	90.14	30%
1999-2000	300.45	–	17089.64	–	31264.84	12037.02	22021.88	894.19	99.15	33%
2000-2001	300.45	–	14376.07	–	31466.54	10875.89	22883.70	-723.29	99.15	33%
2001-2002	300.45	–	21147.74	–	(vii)37089.76	17350.72	17951.34	249.73	75.11	25%
2002-2003	300.45	–	20255.68	–	37134.92	16059.72	15216.82	349.80	75.11	25%
2003-2004	300.45	–	19527.54	–	37438.77	15207.04	21618.25	398.72	82.62	27.5%
2004-2005	300.45	–	19297.32	–	38315.75	14945.35	25279.95	772.39	90.14	30%
2005-2006	300.45	–	19533.81	–	40188.42	15801.12	35855.63	1329.43	135.20	45%
2006-2007	300.45	–	21976.64	–	42849.96	17381.79	63279.94	3556.33	300.45	100%
2007-2008	760.90	–	41424.52	–	(viii)57879.57	31956.79	69604.31	3976.93	380.45	50%
2008-2009	761.40	–	41960.83	–	62639.64	34311.67	51261.53	2340.13	380.70	50%
2009-2010	761.40	–	40340.96	–	64902.96	33996.72	67237.11	2228.91	380.70	50%
2010-2011	761.40	–	39934.99	–	67521.53	33823.03	95767.35	1279.78	380.70	50%
2011-2012	761.40	–	39346.16	–	69030.04	32416.23	88147.09	1212.64	380.70	50%
2012-2013	761.40	–	69881.57	–	(ix) 104975.85	65866.93	72651.35	-3828.17	152.28	20%
2013-2014	761.40	–	66273.50	–	105190.97	62142.72	63823.10	-1236.63	152.28	20%
2014-2016	761.40	–	55433.30	–	105699.36	56101.51	80212.36	-7168.45	–	–
2016-2017	761.40	–	46931.18	–	105998.43	52548.56	39791.05	-6425.63	–	–

NOTES:

1. * Subject to Depreciation.
2. ** Including the effect of Revaluation of certain fixed assets.
3. Including the effect of Revaluation of certain fixed assets as at 30-09-90.
   - @ Gross amount written up ₹ 8432.67 Lakhs.
   - @ Accumulated Depreciation written up ₹ 3775.62 Lakhs.
4. Including the effect of Revaluation of certain fixed assets as at 31-03-86.
   - $ Gross amount written up ₹ 906.89 Lakhs.
   - $$ Accumulated Depreciation written up ₹ 11.21 Lakhs.
5. Including the effect of Revaluation of certain fixed assets as at 30-09-90.
   - (i) Gross amount written up ₹ 3556.43 Lakhs.
   - (ii) Accumulated Depreciation written up ₹ 334.16 Lakhs.
6. *** Includes Preference Dividend for the years. 1985-86, 1986-87, 1987-88, 1988-89, 1989-90.
7. Including the effect of Revaluation of certain fixed assets as at 30-09-92.
   - (iii) Gross amount written up ₹ 7526.25 Lakhs.
   - (iv) Accumulated Depreciation written up ₹ 1618.56 Lakhs.
8. Including the effect of Revaluation of certain fixed assets as at 01-10-96.
   - v) Gross amount written up ₹ 7985.90 Lakhs.
   - (vi) Accumulated Depreciation written up ₹ 20.30 Lakhs.
9. Including the effect of Revaluation of certain fixed assets as on 01-10-96 ₹ 7965.60 Lakhs.
10. Including the effect of Revaluation of certain fixed assets as on 01-04-2002 (vii) Gross Amount written up ₹ 5449.30 Lakhs.
11. Including the effect of Revaluation of certain fixed assets as on 01-10-2007 (viii) Gross Amount written up ₹ 11263.32 Lakhs.
12. Including the effect of Revaluation of certain fixed assets as on 30-09-2013 (ix) Gross Amount written up ₹ 35510.41 Lakhs.

Debutanizer Column (Process equipment) being dispatched to OIL Assam from Walchandnagar

Dignitaries from ISRO present at the ground-breaking ceremony of the new Aerospace Equipment Testing facility at Walchandnagar

Founder Seth Walchand Hirachand's 134th birth anniversary being commemorated at Walchandnagar by Mr. G. K. Pillai, MD & CEO

Scientific Adviser to Raksha Mantri, Dr. G. Satheesh Reddy reviewing facilities and capabilities at Walchandnagar

1908-2008

WALCHANDNAGAR

Regd. Office: 3, Walchand Terraces, Tardeo Road, Mumbai - 400 034
Website: www.walchand.com
CIN: L74999MH1908PLC000291

www.sapprints.com

WALCHANDNAGAR INDUSTRIES LTD.
CIN : L74999MH1908PLC000291
Regd. Office : 3, Walchand Terraces, Tardeo Road, Mumbai - 400 034. **Tel. :** 022-40287104 / 110 **Fax :** 022-23634527
Email : investors@walchand.com **Website :** www.walchand.com

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

DP Id*	Folio No.
Client Id*	No. of Shares held
Name and Address of the Shareholder	

I/We hereby record my/our presence at the **108th Annual General Meeting** of the Company held on Wednesday, the 9th day of August, 2017 at 04.00 p.m. at Walchand Hirachand Hall, IMC Building, 4th Floor, Churchgate, Mumbai – 400 020.

_____
Signature of Shareholder / Proxy

* Applicable for investors holding share(s) in electronic form.

E-VOTING PARTICULARS (Refer Point 's' of Notice of AGM for detailed instructions)

EVSN (Electronic Voting Sequence Number)	User ID	PAN / Sequence No.
170704027		

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Proxy form (Form No. MGT - 11)

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

WALCHANDNAGAR INDUSTRIES LTD.
CIN : L74999MH1908PLC000291
Regd. Office : 3, Walchand Terraces, Tardeo Road, Mumbai - 400 034.
Tel. : 022-40287104 / 110 **Fax :** 022-23634527
Email : investors@walchand.com **Website :** www.walchand.com

Name of the Member (s) :

Registered Address :

E-mail Id : Folio No/ Client Id :

DP Id : No. of shares held :

I/We, _____ of _____ being the member(s) of Walchandnagar Industries Ltd. hereby appoint

(1) Name: _____ Address: _____
E-mail Id: _____ Signature: _____ or failing him

(2) Name: _____ Address: _____
E-mail Id: _____ Signature: _____ or failing him

(3) Name: _____ Address: _____
E-mail Id: _____ Signature: _____

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as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **108th Annual General Meeting** of the Company to be held on Wednesday, the 9th day of August, 2017 at 04.00 p.m. at Walchand Hirachand Hall, IMC Building, 4th Floor, Churchgate, Mumbai - 400 020 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No. and Matter of Resolution	**No. of Shares Held by me/us**	***For**	***Against**
Ordinary Business:			
1. To receive, consider and adopt the Audited Financial Statements for the financial year ended on March 31, 2017 together with the Reports of Board of Directors and Auditors thereon.			
2. To appoint a Director in place of Mr. Chakor L. Doshi (DIN: 00210949) Director, who retires by rotation at 108th Annual General Meeting and, being eligible, offers himself for reappointment.			
3. Appointment of M/s. Jayesh Sanghrajka & Co. LLP, Chartered Accountants, Mumbai as Auditors of the Company and fixing their remuneration.			
Special Business:			
4. Appointment of Mr. Dilip J. Thakkar (DIN: 00007339), as an Independent Director.			
5. Ratification of Remuneration of M/s. S. R. Bhargave & Co., Cost Accountants, Pune for the Financial Year ending March 2018.			
6. Appointment of Mr. G. K. Pillai, Managing Director & Chief Executive Officer of the Company for a period of three years w.e.f. April 01, 2017.			
7. Appointment of Mr. Chirag C. Doshi, Managing Director of the Company for a period of three years w.e.f. April 01, 2017.			

Signed this _____ day of _____ 2017

Affix Revenue Stamp

Signature of Shareholder(s) _____ Signature of Proxy holder(s)_____

Note:

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

*2) This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

3) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

4) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

5) Please complete all details including details of member(s) in above box before submission

Form No. MGT-12

POLLING PAPER

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]

WALCHANDNAGAR INDUSTRIES LTD.

CIN : L74999MH1908PLC000291. Regd. Office : 3, Walchand Terraces, Tardeo Road, Mumbai - 400 034.
Tel. : 022-40287104 / 110, Fax : 022-23634527, Email : investors@walchand.com, Website : www.walchand.com

BALLOT PAPER

S. No.	Particulars	Details
1.	Name of the first named Shareholder (In block letters)	
2.	Postal Address	
3.	Registered Folio No./ *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	

I hereby exercise my vote in respect of Ordinary / Special Resolutions enumerated below by recording my assent or dissent to the said resolutions in the following manner:

No.	Item No.	No. of shares held by me	I assent to the resolution	I dissent from the resolution
Ordinary Business:				
1.	To receive, consider and adopt the Audited Financial Statements for the financial year ended on March 31, 2017 together with the Reports of Board of Directors and Auditors thereon.			
2.	To appoint a Director in place of Mr. Chakor L. Doshi (DIN: 00210949) Director, who retires by rotation at 108th Annual General Meeting and, being eligible, offers himself for reappointment.			
3.	Appointment of M/s. Jayesh Sanghrajka & Co. LLP, Chartered Accountants, Mumbai as Auditors of the Company and fixing their remuneration.			
Special Business:				
4.	Appointment of Mr. Dilip J. Thakkar (DIN: 00007339), as an Independent Director.			
5.	Ratification of Remuneration of M/s. S. R. Bhargave & Co., Cost Accountants, Pune for the Financial Year ending March 2018.			
6.	Appointment of Mr. G. K. Pillai, Managing Director & Chief Executive Officer of the Company for a period of three years w.e.f. April 01, 2017.			
7.	Appointment of Mr. Chirag C. Doshi, Managing Director of the Company for a period of three years w.e.f. April 01, 2017.			

Place:
Date:

(Signature of the Member / Beneficial Owner #)
(# as per Company Records)