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

Ref. No. : WIL:SEC:2018
Date : August 28, 2018

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 109th Annual Report for the Financial Year 2017-18.
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 109th Annual General Meeting of the Company held on August 14, 2018 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.**

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

Encl.: As above

109th ANNUAL REPORT
2017 - 18

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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) 23612195/96/97

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

M/s. Jayesh Sanghrajka & Co. LLP.
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 109th Annual General Meeting and present the Annual Report of your company. The year under consideration covers the period April 17 to March 18.

During this year, your company has taken concrete steps to achieve operational and financial turnaround. WIL's order book today reflects its priorities with strategic sectors like Aerospace, Defence, Missiles and Nuclear together accounting for a major share. There were a number of notable achievements during the year which include ramp up in production rates for missile sub-assemblies and aerospace components and receipt of a strategic order for gearboxes for offshore patrol vessels. There has also been a positive movement in the execution of legacy EPC projects with WIL having received work completion certificate for the Tendaho project (phase 1) in Ethiopia and phase-wise execution in process for the TNEB project in Tamil Nadu.

Your company ended the financial year FY 17-18 with revenues of INR 407.30 Crore and notwithstanding the net loss for the year, the company's relatively better performance in Q4 gives us a fair degree of confidence. Cost control and optimization measures have had a salutary effect with heads of expense like material cost, manpower cost and other expenses showing notable reduction compared to the previous year. Following the infusion of strategic funding from KKR India, there has been some succour on the working capital front. However the operating management continues to remain ever vigilant and judicious with regards to the deployment of available funds.

In key sectors like Aerospace, Missiles, Defence, Centrifugal machines and Gearboxes we have a healthy order pipeline and expect improved order booking in FY 18-19. WIL would also be exploring new business opportunities – e.g. railways business. As far as EPC business is concerned, we would be selective with due consideration to profitability, payment terms and customer profile. WIL is confident that given its strong fundamentals and unique positioning, it will continue to benefit positively from the upcoming opportunities in the years ahead.

I would like to place on record my sincere thanks to WIL's shareholders, our bankers, employees at all levels and the media for your continued support and expect similar confidence in the years to come.

Thank You,

Chakor L. Doshi

Chairman

WALCHANDNAGAR

1908-2008

NOTICE

Notice is hereby given that the 109th Annual General Meeting of the members of Walchandnagar Industries Limited will be held as scheduled below:

Day : Tuesday

Date : August 14, 2018

Time : 3.30 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, 2018 together with the Reports of Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Chirag C. Doshi (DIN: 00181291) Director, who retires by rotation at 109th Annual General Meeting and, being eligible, offers himself for re-appointment.

Special Business:

3. To authorize to renew the consultancy contract with Mr. Chakor L. Doshi and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Special Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Section 188, Section 197 and all other applicable provisions if any, of the Companies Act, 2013 and pursuant to the Rules notified there under, consent of the Members of the Company be and is hereby accorded to Mr. Chakor L. Doshi, Chairman of the Company and a relative of Mr. Chirag C. Doshi, Managing Director of the Company, to continue to provide professional services as Advisor / Consultant to the Company for an additional period of two years from 1st May, 2018 to 30th April, 2020 on payment of consultancy fees of ₹ 80,000/- per day of services rendered plus GST as applicable, expenses on travelling, conveyance, lodging and boarding, reimbursement of incidental and out of pocket expenses, and permitted foreign exchange allowance and expenses in case of any assignment abroad.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to extend the aforesaid Consultancy Contract for a further period of 2 years after 30th April, 2020 on such terms as the Board of Directors deem fit, without any further approval of the Members for such extension."

   RESOLVED FURTHER THAT Mr. G. S. Agrawal, Vice President (Legal & Taxation) & Company Secretary be and is hereby authorized to file necessary forms with Registrar of Companies and to do all such act, deed and things as may be considered necessary to give effect to above resolution."

4. To consider and determine the fees for delivery of any document through a particular mode of delivery to a member and in this regard, to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to Section 20 and other applicable provisions, if any, of the Companies Act, 2013 and relevant Rules prescribed thereunder, upon receipt of a request from a member for delivery of any document through a particular mode an amount equal to actual expenses to be incurred by the Company, be levied as and by way of fees for sending the document to Shareholders in the desired particular mode.

   RESOLVED FURTHER THAT the estimated fees for delivery of the document shall be paid by the member in advance to the Company, before dispatch of such document.

   RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper, desirable or expedient and to settle any question, difficulty, or doubt that may arise in respect of the matter aforesaid, including determination of the estimated fees for delivery of the document to be paid in advance."

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) per annum plus GST 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 2019.

   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."

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 28, 2018

CIN: L74999MH1908PLC000291
Tel: 022 - 2361 2195/96/97, Fax: 022 - 2363 4527
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. 3 to 5 mentioned above is annexed hereto.

b) A statement giving additional details of Director seeking appointment as set out in Item no. 2 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, 2011 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 Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 9, 2017 (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 2018 containing Notice of 109th 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 2018 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 walchandnagargogreen@linkintime.co.in / 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 109th AGM and the Annual Report for 2018 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. Chirag C. Doshi (DIN : 00181291) Director of the Company retire by rotation at the 109th 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 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) Documents relating to the items mentioned in the Notice and Explanatory Statement are available for inspection at the Registered Office of the Company on any working day (except Saturday and Sunday) during business hours from 10.30 a.m. to 12.30 p.m.

s) 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 109th 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 11, 2018 at 9:00 am and ends on August 13, 2018 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 07, 2018 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 / Members.

(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 of 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 changed 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. Users can download the App from App Store and the Windows Phone Store respectively. 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 13, 2018 (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 14, 2018.

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

ITEM NO. 3

The Members of the Company, through Postal Ballot held on June 24, 2014 had accorded, by Special Resolution, their consent to Mr. Chakor L. Doshi, Chairman of the Company and a relative of Mr. Chirag C. Doshi, to continue to provide professional services as Advisor / Consultant to the Company for an additional period of 2 years from 1st May, 2014 to 30th April, 2016, on payment of ₹ 80,000/- per day as Consultancy Fee plus expenses on travelling, lodging and boarding & reimbursement of incidental and out of pocket expenses, reimbursement of Service Tax, as applicable and permitted foreign exchange allowance and expenses in case of any assignments abroad. Vide the said Special Resolution, the Board was further authorised to extend the said consultancy period for additional two years, and pursuant to such authorization to the Board, such extension was approved by the Board in their meeting held on April 26, 2016. Hence, the approval of the Shareholders was valid up to April 30, 2018.

As per the provisions of Section 197 of the Companies Act, 2013, the Nomination and Remuneration Committee has expressed opinion in their meeting held on May 28, 2018 that Mr. Chakor L. Doshi possesses the necessary qualification to render professional consultancy services.

As per the provisions of Section 188 of the Companies Act, 2013, the Audit Committee of the Board of Directors of the Company also approved the renewal of Consultancy Contract with Mr. Chakor L. Doshi at the existing professional fees of ₹ 80,000/- per day for next two years, with power to the Board to extend the period of consultancy contract by further two years, subject to approval of Members. As per the approval of the Audit Committee and recommendation of Nomination and Remuneration Committee, the Board of Directors approved the proposal, subject to the approval of the Shareholders, for renewal of Consultancy Contract with Mr. Chakor L. Doshi.

The details in respect of the proposed contract, as required under the Rules are as follows:

Name of the Related Party

Mr. Chakor L. Doshi

Name of the Director or Key Managerial Personnel who is related, if any

Mr. Chirag C. Doshi, Managing Director.

Nature of Relationship

Mr. Chakor L. Doshi is father of Mr. Chirag C. Doshi.

Nature, Material Terms, Monetary Value and Particulars of the Contract or Arrangement

Contract to render professional consultancy services; Consultancy fees of ₹ 80,000 per day of service rendered (i.e. same rate as paid during the last contract period from 01.05.2014 to 30.04.2018), Period of Consultancy contract 2 years, with power to the Board to extend the contract by further 2 years on such terms as it may deem fit.

Any other information relevant or important for the members to take a decision on the proposed resolution.

Mr. Chakor L. Doshi has been providing professional Consultancy services to the Company since 1994, with the approval of the Board/ Members of the Company as per the provisions of the Companies Act, 1956 / 2013.

Previously Central Government, and now the Nomination & Remuneration Committee have expressed an opinion, as required under relevant provisions, that Mr. Chakor L Doshi possesses the requisite qualification to render consultancy services.

Members are informed that during the period from May 01, 2016 to April 30, 2018 Chairman has not raised any bill for consultancy fee and hence no consultancy fee is paid to him. However the actual expenses incurred by the Chairman on behalf of the Company and for Company's business during this period were paid by the Company.

The Nomination and Remuneration Committee has recommended, and the Audit Committee and the Board of Directors have approved the renewal of consultancy contract with Mr. Chakor L Doshi, subject to the approval of Members.

Hence, the Board of Directors recommends passing of the special resolution mentioned at item No. 3 in the notice.

None of the Directors, key managerial personnel except Mr. Chakor L. Doshi and Mr. Chirag C. Doshi are deemed to be concerned or interested, financially or otherwise in the proposed special resolution.

ITEM NO. 4

As per the provisions of Section 20 of the Companies Act, 2013 a document may be served on any member by sending it to him by Post or by Registered post or by Speed post or by Courier or by delivering at his office or address or by such electronic or other mode as may be prescribed. It further provides that a member can request for delivery of any document to him through a particular mode for which he shall pay such fees as may be determined by the company in its Annual General Meeting. Therefore, to enable the members to avail of this facility, it is necessary for the Company to determine the fees to be charged for delivery of a document in a particular mode, as mentioned in the resolution. Since the Companies Act, 2013 requires the fees to be determined in the Annual General Meeting, the Directors accordingly recommend the Ordinary Resolution at item no. 4 of the accompanying notice, for the approval of the members of the Company.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item no.4 of the accompanying Notice.

ITEM NO. 5

The Board of Directors of 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 2019, at a remuneration of ₹ 3,00,000/- (Rupees Three Lakhs Only) per annum plus GST 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, 2019.

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.

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 28, 2018

CIN: L74999MH1908PLC000291
Tel: 022 - 2361 2195/96/97, Fax: 022 - 2363 4527
E-mail: investors@walchand.com Website: www.walchand.com

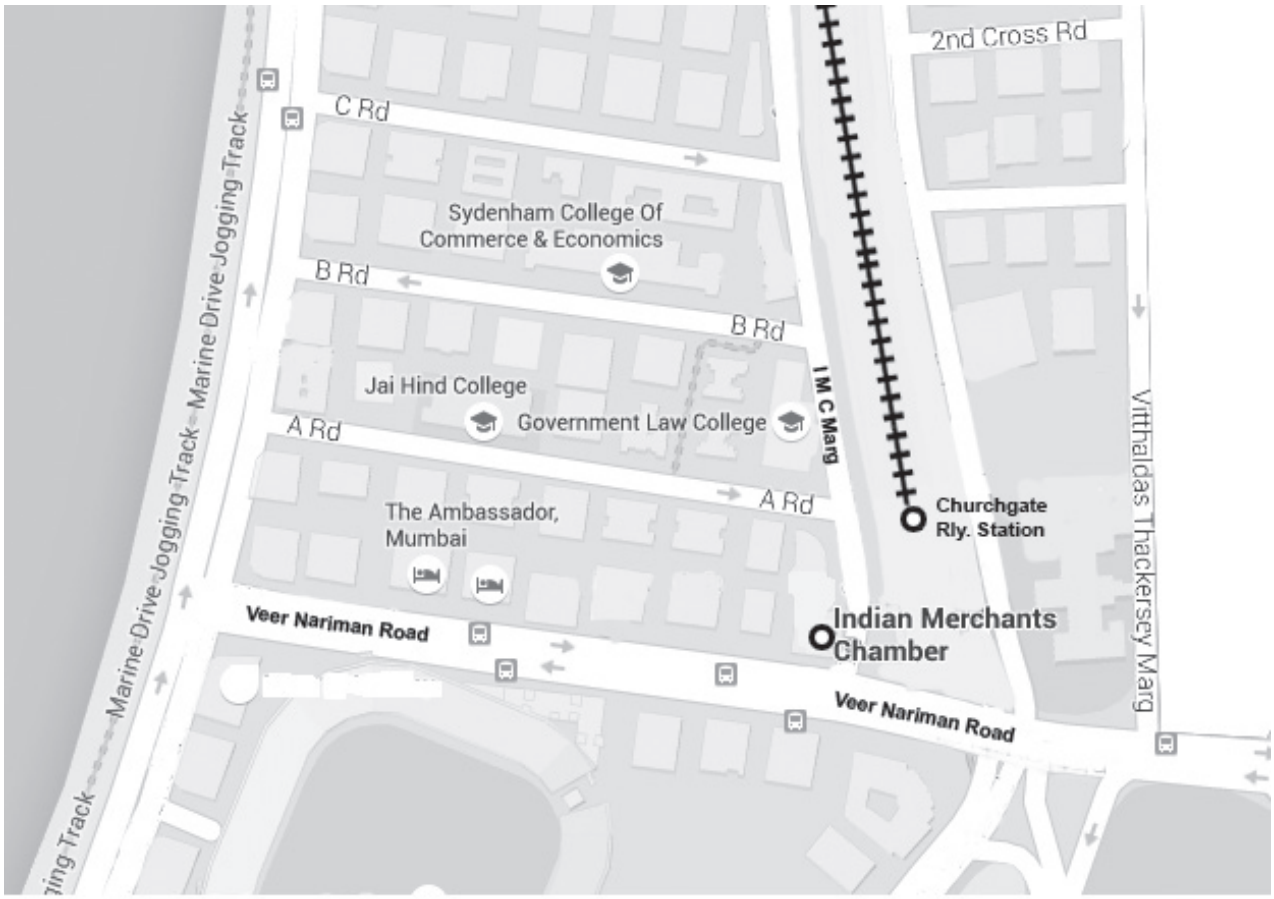
Annexure A to Notice

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

Name of Director	**Mr. Chirag C. Doshi**
Date of Birth	22.04.1974
Date of Appointment	25.11.2007
Expertise in specific functional areas	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. A. (Economics) from University of Michigan, USA; and MBA from the world renowned 'INSEAD INSTITUTE' Paris.
Shareholding in the Company	14000
Directorship held in other public companies (excluding foreign companies)	Bombay Cycle & Motor Agency Ltd.
Membership / Chairmanship of Committees of other public companies(includes only Audit Committee & Stakeholders Relationship Committee)	**Audit Committee –** **Member** Bombay Cycle & Motor Agency Ltd.

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 109th Annual Report on the business and operations of your Company together with Audited Accounts for the year ended March 31, 2018.

1. Financial Results

The Company's financial performance, for the Year ended March 31, 2018 is summarized below:

	Year ended 31.03.2018 ₹ in Lakhs (IND AS)	Year ended 31.03.2017 ₹ in Lakhs (IND AS)
Income	**40,730**	40,144
Profit/(Loss) before Depreciation, Interest, Exceptional Item and Exchange currency fluctuations	**8,422**	5,240
Less: Interest	**7,611**	6,950
Depreciation	**3,346**	3,567
Exceptional Item	**-**	-
Profit / (Loss) before Exchange Currency fluctuations	**(2,535)**	(5,277)
Less: Exchange Currency Fluctuation Loss /(Gain)	**47**	142
Profit/(Loss) before Tax	**(2,582)**	(5,419)
Less: Tax (Net)	**-**	2,533
Profit/(Loss) after Tax	**(2,582)**	(7,952)

Indian Accounting Standards :

The Financial Statements for the year 2017-18 have been prepared in compliance with the new set of Indian Accounting Standards (IND AS) and the comparatives for the corresponding previous year 2016-17 have been restated under IND AS for making items comparable.

The Ministry of Corporate Affairs ('MCA'), vide its notification in the official gazette dated 16th February, 2015, has made applicable the Indian Accounting Standards ('Ind AS') to certain classes of companies. For the Company, Ind AS was applicable from 1st April, 2017 with a transition date of 1st April, 2016. The financial results have been prepared in accordance with the recognition and measurement principles laid down under Ind AS as presented under Section 133 of the Companies Act, 2013 ('the Act') read with the relevant rules issued thereunder and the other accounting principles generally accepted in India as applicable.

2. Financial Performance & Highlights:

During the year under review, the revenue for the financial year 2017-18 was ₹ 40,730 lakhs as against the previous financial year 2016-17 of ₹ 40,144 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, 2018 were at ₹ 803 crores as compared to ₹ 844 crores as on March 31, 2017.

4. Exports and Overseas Projects:

During the year under review, the Company achieved an export turnover of ₹ 30 Crores as against ₹ 38 Crores, in the previous year. The export orders on hand as on March 31, 2018 are at ₹ 324 crores.

5. Dividend and Reserves:

During the Year under review your Company has suffered a (loss) after tax of ₹ (2,582) lakhs. Hence, no dividend is recommended for the Year ending March 31, 2018 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, 2018, 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, Joint Ventures and Associate Company.

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 Financial year under review.

(ii) Income Tax Assessments:

Income tax assessment up to the Assessment Year 2015-16 has been completed. However, Company has preferred appeal before Commissioner of

Income Tax (Appeals) for the Assessment Year 2015-16.

10. Human Resources Development:

The role of human resources has gradually evolved from a Support Function to a Strategic Business Partner for reaching the Organization Goal of Prosperity. During the Financial Year 2017-18, the HR Department initiated the process of JD's and Online Appraisal System, followed with systematic approach reward mechanism. Through the Robust Recruitment System to attract the best talent from the preferred Industries, we are trying to make Walchandnagar Industries Limited as one of the best organization to work with.

The true focus of Human Resources Management is motivating, bringing in Best HR Practices & retaining the best talent in the 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, 2018 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, 2018.

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 M/s. Jayesh Sanghrajka & Co. LLP, 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 in every financial year, at least 2% of its average net profit of the Company made during the three immediately preceding financial Years. 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 medical check up which includes General Health check up for 719 workmen and Hazardous test for 211 workmen working on hazardous process and non-hazardous process with the help of certified surgeon.

Our Company Hospital (LHMC) have been registered as a primary health center under ESIS. These medical services will be beneficial to insured persons and their family members at Walchandnagar and surrounding villages. Under this scheme employees can avail all medical benefits provided by ESIC Corporation in our township.

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 3877 children of which, 29% are children of employees of the company and 71 % 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:

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.

The Shareholders of the Company at its Annual General Meeting held on 9th August, 2017 have approved Re-appointment of Mr. Dilip J. Thakkar (DIN: 00007339) as Independent Director for second term of Five Years till the Conclusion of Annual General Meeting to be held in the year 2022 as recommended by the Nomination & Remuneration Committee / Board in their meeting held on May 26, 2017.

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. Chirag C. Doshi is due to retire by rotation at the 109th 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

During the year no changes took place in the Key Managerial Personnel of the company. The shareholders of the company at its Annual General Meeting held on 9th August, 2017 Re- appointed Mr. G.K. Pillai , Managing Director & CEO (DIN : 01537184) and Mr. Chirag C. Doshi, Managing Director (DIN : 00181291) for a further period of three years w.e.f. 1st April, 2017

17. Number of Meetings of the Board:

The Board met four (4) times during the year from April 01, 2017 to March 31, 2018 viz. on May 26, 2017; September 13, 2017; November 28, 2017 and February 13, 2018.

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 Chief Internal Auditor, Mr. Anil Vasant Gabhe (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. Independent Directors Meeting and Nomination and Remuneration Committee considered the performance of Independent/Non-Independent Directors and the Committees and 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.

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 46 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, 2018, total dematerialized equity shares are 37299841 representing 97.98%.

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:

M/s. Jayesh Sanghrajka & Co. LLP, Chartered Accountants, Mumbai was appointed in 108th Annual General Meeting (AGM) as the Statutory Auditors of the Company to hold office from the conclusion of 108th AGM until the conclusion of the 113th AGM. However pursuant to Companies Amendment Act, 2017, Annual Ratification of Appointment of Auditors is not required.

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 2019. They were also the cost auditors for the previous Year ended March 2018. 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 2019.

The Cost Audit Reports for the financial year ended March 2018, will be filed within the stipulated time i.e. on or before September 30, 2018.

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, 2017 to March 31, 2018. The Secretarial Audit Report for the year ended March 31, 2018 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 2018-19 also.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the Statutory Auditors, Secretarial Auditor nor the Cost Auditor has reported to the audit Committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which needs to be mentioned in the Board's Report.

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 Notes to the Financial Statement).

32. Secretarial Standards:

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

33. Familiarization Programme For Independent Directors

To provide insights into the Company and to enable the Independent Directors to understand the Company's business in depth which would facilitate their active participation in managing the Company, the Company arranges Familiarization Programme for Independent Directors. The details of such familiarization programmes for Independent Directors are posted on the website of the Company viz. https://walchand.com/wp-content/uploads/2018/04/Familiarisation-programme-for-ID.pdf.

34. 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.

35. 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 28, 2018*

ANNEXURE 'A' TO DIRECTORS REPORT

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as at the Financial Year ended on 31.03.2018

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.: 022-23612195/96/97; Fax: 022-23634527. e-mail: 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	-	30.56%
2	Castings	-	10.95%
3	Erection, Jobwork, Services	-	35.79%

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
d) Bank/FI	0	0	0	0.0000	0	0	0	0.0000	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
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	419935	500	420435	1.1044	0	500	500	0.0013	-1.1031
b) Banks/FI	90363	23075	113438	0.2980	268525	23075	291600	0.7660	0.4680
c) Central govt	0	0	0	0.0000	0	0	0	0	0
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	1000	0	1000	0.0026	25927	0	25927	0.0681	0.0655
UTI	0	4500	4500	0.0118	0	4500	4500	0.0118	0.0000
SUB TOTAL (B)(1)	**1891286**	**40075**	**1931361**	**5.0732**	**1674440**	**40075**	**1714515**	**4.5036**	**(0.5696)**
(2) Non Institutions									
a) Bodies corporates									
i) Indian	1390970	16365	1407335	3.6967	1508208	15290	1523498	4.0018	0.3051
ii) Overseas	0	3020	3020	0.0079	0	0	0	0.0000	(0.0079)
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakhs	11096175	866571	11962746	31.4229	10793863	642879	11436742	30.0412	-1.3817
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakhs	265740	52500	318240	0.8359	300740	52500	353240	0.9279	0.0920

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
c) Others (specify)									
Clearing Member	376641	0	376641	0.9893	668044	0	668044	1.7548	0.7655
Directors/Relatives	0	0	0	0.0000	0	0	0	0.0000	0.0000
Foreign Nationals	0	3330	3330	0.0087	0	0	0	0.0000	-0.0087
Non Resident Indians (Repat)	381212	14150	395362	1.0385	285176	4320	289496	0.7604	-0.2781
Non Resident Indians (Non Repat)	139327	0	139327	0.3660	127114	0	127114	0.3339	-0.0321
Trusts	4775	400	5175	0.0136	4275	400	4675	0.0123	-0.0013
HUF	565810	0	565810	1.4862	645314	0	645314	1.6951	0.2089
Office Bearers	0	23245	23245	0.0611	0	14900	14900	0.0391	-0.0220
IEPF	0	0	0	0	354054	Nil	354054	0.9300	0.9300
SUB TOTAL (B)(2)	**14220650**	**979581**	**15200231**	**39.9268**	**14686788**	**730289**	**15417077**	**40.4964**	**0.5696**
Total Public Shareholding (B)= (B)(1)+(B)(2)	**16111936**	**1019656**	**17131592**	**45.0000**	**16361228**	**770364**	**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)	**37050549**	**1019656**	**38070205**	**100.0000**	**37299841**	**770364**	**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	0.04	0.04	14000	0.04	0.04	0
2	Champa C. Doshi	10350	0.03	0.03	10350	0.03	0.03	0
3	Chakor L. Doshi	49250	0.13	0	49250	0.13	0.13	0
4	Chakor L. Doshi HUF	6680	0.02	0.02	6680	0.02	0.02	0
5	Smt Lalitabai Lalchand Charity Trust	379210	1.00	0	379210	1.00	0.00	0
6	Walchand Charitable Trust	7200	0.02	0	7200	0.02	0.00	0
7	Walchand Kamdhenu Commercials Pvt. Ltd.	9869673	25.92	25.92	9869673	25.92	25.92	0
8	Walchand Great Achievers Private Limited	5260160	13.82	13.82	5260160	13.82	13.82	0
9	Walchand Chiranika Trading Pvt Ltd	342090	0.90	0.00	342090	0.90	0.90	0
10	Rodin Holdings Inc	3000000	7.88	0.00	3000000	7.88	7.88	0
11	Olsson Holdings Inc	2000000	5.25	0.00	2000000	5.25	5.25	0
	Total	**20938613**	**55.00**	**39.83**	**20938613**	**55.00**	**53.99**	**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 01.04.2017		Transactions during the year		Cumulative Shareholding at the end of the year 31.03.2018	
	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	ANGEL FINCAP PRIVATE LIMITED	73993	0.1944	-	-	73993	0.1944
	Transfer			07 Apr 2017	(1046)	72947	0.1916
	Transfer			14 Apr 2017	635	73582	0.1933
	Transfer			21 Apr 2017	(8723)	64859	0.1704
	Transfer			28 Apr 2017	355	65214	0.1713
	Transfer			05 May 2017	57	65271	0.1714
	Transfer			12 May 2017	(9169)	56102	0.1474
	Transfer			19 May 2017	4950	61052	0.1604
	Transfer			26 May 2017	(14387)	46665	0.1226
	Transfer			02 Jun 2017	288	46953	0.1233
	Transfer			09 Jun 2017	(535)	46418	0.1219
	Transfer			16 Jun 2017	(1388)	45030	0.1183
	Transfer			23 Jun 2017	(40)	44990	0.1182
	Transfer			30 Jun 2017	(512)	44478	0.1168
	Transfer			07 Jul 2017	(1073)	43405	0.1140
	Transfer			14 Jul 2017	370	43775	0.1150
	Transfer			21 Jul 2017	(965)	42810	0.1125
	Transfer			28 Jul 2017	(10)	42800	0.1124
	Transfer			04 Aug 2017	456	43256	0.1136
	Transfer			11 Aug 2017	526	43782	0.1150
	Transfer			18 Aug 2017	(27298)	16484	0.0433
	Transfer			25 Aug 2017	(5835)	10649	0.0280
	Transfer			01 Sep 2017	560	11209	0.0294
	Transfer			08 Sep 2017	790	11999	0.0315
	Transfer			15 Sep 2017	1345	13344	0.0351
	Transfer			22 Sep 2017	(1106)	12238	0.0321
	Transfer			29 Sep 2017	200044	212282	0.5576
	Transfer			06 Oct 2017	(841)	211441	0.5554
	Transfer			13 Oct 2017	86	211527	0.5556
	Transfer			20 Oct 2017	11400	222927	0.5856
	Transfer			27 Oct 2017	(620)	222307	0.5839
	Transfer			03 Nov 2017	675	222982	0.5857
	Transfer			10 Nov 2017	1025	224007	0.5884
	Transfer			17 Nov 2017	(1248)	222759	0.5851
	Transfer			24 Nov 2017	4755	227514	0.5976
	Transfer			01 Dec 2017	(16250)	211264	0.5549

Sr. No.		Shareholding at the beginning of the year 01.04.2017		Transactions during the year		Cumulative Shareholding at the end of the year 31.03.2018	
	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			08 Dec 2017	180	211444	0.5554
	Transfer			15 Dec 2017	574	212018	0.5569
	Transfer			22 Dec 2017	(169)	211849	0.5565
	Transfer			29 Dec 2017	(341)	211508	0.5556
	Transfer			05 Jan 2018	(154)	211354	0.5552
	Transfer			12 Jan 2018	(464)	210890	0.5540
	Transfer			19 Jan 2018	(636)	210254	0.5523
	Transfer			26 Jan 2018	59	210313	0.5524
	Transfer			02 Feb 2018	89	210402	0.5527
	Transfer			09 Feb 2018	315	210717	0.5535
	Transfer			16 Feb 2018	(35)	210682	0.5534
	Transfer			23 Feb 2018	100	210782	0.5537
	Transfer			02 Mar 2018	(60)	210722	0.5535
	Transfer			09 Mar 2018	(76)	210646	0.5533
	Transfer			16 Mar 2018	(389)	210257	0.5523
	Transfer			23 Mar 2018	(480)	209777	0.5510
	Transfer			31 Mar 2018	20	209797	0.5511
	AT THE END OF THE YEAR					209797	0.5511
3	ICICI BANK LIMITED	26028	0.0684	-	-	26028	0.0684
	Transfer			07 Apr 2017	(285)	25743	0.0676
	Transfer			21 Apr 2017	118	25861	0.0679
	Transfer			28 Apr 2017	3611	29472	0.0774
	Transfer			05 May 2017	(121)	29351	0.0771
	Transfer			12 May 2017	(5785)	23566	0.0619
	Transfer			19 May 2017	(2616)	20950	0.0550
	Transfer			26 May 2017	(2345)	18605	0.0489
	Transfer			02 Jun 2017	(112)	18493	0.0486
	Transfer			09 Jun 2017	(22)	18471	0.0485
	Transfer			23 Jun 2017	979	19450	0.0511
	Transfer			30 Jun 2017	4619	24069	0.0632
	Transfer			07 Jul 2017	(425)	23644	0.0621
	Transfer			14 Jul 2017	(1470)	22174	0.0582
	Transfer			21 Jul 2017	400	22574	0.0593
	Transfer			28 Jul 2017	485	23059	0.0606
	Transfer			11 Aug 2017	(187)	22872	0.0601
	Transfer			25 Aug 2017	(1050)	21822	0.0573
	Transfer			01 Sep 2017	1575	23397	0.0615
	Transfer			08 Sep 2017	199	23596	0.0620
	Transfer			15 Sep 2017	(304)	23292	0.0612

Sr. No.		Shareholding at the beginning of the year 01.04.2017		Transactions during the year		Cumulative Shareholding at the end of the year 31.03.2018	
	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 Sep 2017	83652	106944	0.2809
	Transfer			29 Sep 2017	4670	111614	0.2932
	Transfer			13 Oct 2017	6908	118522	0.3113
	Transfer			20 Oct 2017	(24)	118498	0.3113
	Transfer			27 Oct 2017	(588)	117910	0.3097
	Transfer			03 Nov 2017	(5930)	111980	0.2941
	Transfer			10 Nov 2017	4288	116268	0.3054
	Transfer			17 Nov 2017	10414	126682	0.3328
	Transfer			24 Nov 2017	(2064)	124618	0.3273
	Transfer			01 Dec 2017	(9348)	115270	0.3028
	Transfer			08 Dec 2017	(250)	115020	0.3021
	Transfer			15 Dec 2017	50	115070	0.3023
	Transfer			22 Dec 2017	10404	125474	0.3296
	Transfer			29 Dec 2017	35	125509	0.3297
	Transfer			05 Jan 2018	(4449)	121060	0.3180
	Transfer			12 Jan 2018	(2007)	119053	0.3127
	Transfer			19 Jan 2018	1186	120239	0.3158
	Transfer			26 Jan 2018	76603	196842	0.5171
	Transfer			02 Feb 2018	3662	200504	0.5267
	Transfer			09 Feb 2018	(9014)	191490	0.5030
	Transfer			16 Feb 2018	(575)	190915	0.5015
	Transfer			23 Feb 2018	258	191173	0.5022
	Transfer			02 Mar 2018	44	191217	0.5023
	Transfer			09 Mar 2018	169	191386	0.5027
	Transfer			16 Mar 2018	2285	193671	0.5087
	Transfer			23 Mar 2018	(7163)	186508	0.4899
	Transfer			31 Mar 2018	12764	199272	0.5234
	AT THE END OF THE YEAR					199272	0.5234
4	ARJ SECURITIES PRIVATE LIMITED	0	0.0000	-	-	0	0.0000
	Transfer			21 Apr 2017	496	496	0.0013
	Transfer			28 Apr 2017	(496)	0	0.0000
	Transfer			12 May 2017	15	15	0.0000
	Transfer			19 May 2017	(15)	0	0.0000
	Transfer			29 Sep 2017	500	500	0.0013
	Transfer			06 Oct 2017	75	575	0.0015
	Transfer			13 Oct 2017	(525)	50	0.0001
	Transfer			20 Oct 2017	(50)	0	0.0000
	Transfer			27 Oct 2017	3630	3630	0.0095
	Transfer			03 Nov 2017	(3630)	0	0.0000
	Transfer			17 Nov 2017	52	52	0.0001
	Transfer			24 Nov 2017	(52)	0	0.0000

Sr. No.		Shareholding at the beginning of the year 01.04.2017		Transactions during the year		Cumulative Shareholding at the end of the year 31.03.2018	
	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			29 Dec 2017	1600	1600	0.0042
	Transfer			23 Mar 2018	155000	156600	0.4113
	AT THE END OF THE YEAR					156600	0.4113
5	CHETAN JAYANTILAL SHAH	150000	0.3940	-	-	150000	0.3940
	AT THE END OF THE YEAR					150000	0.3940
6	EDELWEISS CUSTODIAL SERVICES LTD	17601	0.0462	-	-	17601	0.0462
	Transfer			07 Apr 2017	207	17808	0.0468
	Transfer			14 Apr 2017	1274	19082	0.0501
	Transfer			21 Apr 2017	1832	20914	0.0549
	Transfer			28 Apr 2017	3074	23988	0.0630
	Transfer			05 May 2017	389	24377	0.0640
	Transfer			12 May 2017	(9368)	15009	0.0394
	Transfer			19 May 2017	12391	27400	0.0720
	Transfer			26 May 2017	(7819)	19581	0.0514
	Transfer			02 Jun 2017	877	20458	0.0537
	Transfer			09 Jun 2017	19936	40394	0.1061
	Transfer			16 Jun 2017	(210)	40184	0.1056
	Transfer			23 Jun 2017	(17472)	22712	0.0597
	Transfer			30 Jun 2017	1378	24090	0.0633
	Transfer			07 Jul 2017	4898	28988	0.0761
	Transfer			14 Jul 2017	2614	31602	0.0830
	Transfer			21 Jul 2017	997	32599	0.0856
	Transfer			28 Jul 2017	1447	34046	0.0894
	Transfer			04 Aug 2017	12122	46168	0.1213
	Transfer			11 Aug 2017	(954)	45214	0.1188
	Transfer			18 Aug 2017	(875)	44339	0.1165
	Transfer			25 Aug 2017	(13029)	31310	0.0822
	Transfer			01 Sep 2017	(85)	31225	0.0820
	Transfer			08 Sep 2017	(2450)	28775	0.0756
	Transfer			15 Sep 2017	316	29091	0.0764
	Transfer			22 Sep 2017	38043	67134	0.1763
	Transfer			29 Sep 2017	2048	69182	0.1817
	Transfer			06 Oct 2017	5045	74227	0.1950
	Transfer			13 Oct 2017	4948	79175	0.2080
	Transfer			20 Oct 2017	(4069)	75106	0.1973
	Transfer			27 Oct 2017	17681	92787	0.2437
	Transfer			03 Nov 2017	5973	98760	0.2594
	Transfer			10 Nov 2017	(28340)	70420	0.1850
	Transfer			17 Nov 2017	(3503)	66917	0.1758
	Transfer			24 Nov 2017	(391)	66526	0.1747
	Transfer			01 Dec 2017	(23646)	42880	0.1126
	Transfer			08 Dec 2017	11129	54009	0.1419

Sr. No.		Shareholding at the beginning of the year 01.04.2017		Transactions during the year		Cumulative Shareholding at the end of the year 31.03.2018	
	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			15 Dec 2017	1079	55088	0.1447
	Transfer			22 Dec 2017	4088	59176	0.1554
	Transfer			29 Dec 2017	(357)	58819	0.1545
	Transfer			05 Jan 2018	10630	69449	0.1824
	Transfer			12 Jan 2018	330	69779	0.1833
	Transfer			19 Jan 2018	(7596)	62183	0.1633
	Transfer			26 Jan 2018	32702	94885	0.2492
	Transfer			02 Feb 2018	1426	96311	0.2530
	Transfer			09 Feb 2018	1131	97442	0.2560
	Transfer			16 Feb 2018	(9140)	88302	0.2319
	Transfer			23 Feb 2018	13403	101705	0.2672
	Transfer			02 Mar 2018	808	102513	0.2693
	Transfer			09 Mar 2018	770	103283	0.2713
	Transfer			16 Mar 2018	(3273)	100010	0.2627
	Transfer			23 Mar 2018	3692	103702	0.2724
	Transfer			31 Mar 2018	(2071)	101631	0.2670
	AT THE END OF THE YEAR					101631	0.2670
7	BHADRA JAYANTILAL SHAH	0	0.0000	-	-	0	0.0000
	Transfer			19 May 2017	50000	50000	0.1313
	Transfer			02 Jun 2017	50000	100000	0.2627
	AT THE END OF THE YEAR					100000	0.2627
8	ANGEL BROKING PRIVATE LIMITED	59627	0.1566	-	-	59627	0.1566
	Transfer			07 Apr 2017	(3040)	56587	0.1486
	Transfer			14 Apr 2017	(17749)	38838	0.1020
	Transfer			21 Apr 2017	12485	51323	0.1348
	Transfer			28 Apr 2017	4907	56230	0.1477
	Transfer			05 May 2017	3425	59655	0.1567
	Transfer			12 May 2017	150	59805	0.1571
	Transfer			19 May 2017	70048	129853	0.3411
	Transfer			26 May 2017	28499	158352	0.4159
	Transfer			02 Jun 2017	(16592)	141760	0.3724
	Transfer			09 Jun 2017	1333	143093	0.3759
	Transfer			16 Jun 2017	(3386)	139707	0.3670
	Transfer			23 Jun 2017	(201)	139506	0.3664
	Transfer			30 Jun 2017	3074	142580	0.3745
	Transfer			07 Jul 2017	2664	145244	0.3815
	Transfer			14 Jul 2017	5891	151135	0.3970
	Transfer			21 Jul 2017	780	151915	0.3990
	Transfer			28 Jul 2017	4866	156781	0.4118
	Transfer			04 Aug 2017	2703	159484	0.4189
	Transfer			11 Aug 2017	(6081)	153403	0.4029
	Transfer			18 Aug 2017	26563	179966	0.4727
	Transfer			25 Aug 2017	(114608)	65358	0.1717
	Transfer			01 Sep 2017	5186	70544	0.1853

Sr. No.		Shareholding at the beginning of the year 01.04.2017		Transactions during the year		Cumulative Shareholding at the end of the year 31.03.2018	
	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			08 Sep 2017	(10176)	60368	0.1586
	Transfer			15 Sep 2017	(1772)	58596	0.1539
	Transfer			22 Sep 2017	3308	61904	0.1626
	Transfer			29 Sep 2017	23002	84906	0.2230
	Transfer			06 Oct 2017	(11733)	73173	0.1922
	Transfer			13 Oct 2017	24093	97266	0.2555
	Transfer			20 Oct 2017	9929	107195	0.2816
	Transfer			27 Oct 2017	(15768)	91427	0.2402
	Transfer			03 Nov 2017	(25641)	65786	0.1728
	Transfer			10 Nov 2017	39639	105425	0.2769
	Transfer			17 Nov 2017	(4580)	100845	0.2649
	Transfer			24 Nov 2017	25563	126408	0.3320
	Transfer			01 Dec 2017	4453	130861	0.3437
	Transfer			08 Dec 2017	5552	136413	0.3583
	Transfer			15 Dec 2017	(14493)	121920	0.3203
	Transfer			22 Dec 2017	(12045)	109875	0.2886
	Transfer			29 Dec 2017	7656	117531	0.3087
	Transfer			05 Jan 2018	15309	132840	0.3489
	Transfer			12 Jan 2018	(16117)	116723	0.3066
	Transfer			19 Jan 2018	(1537)	115186	0.3026
	Transfer			26 Jan 2018	8354	123540	0.3245
	Transfer			02 Feb 2018	(15154)	108386	0.2847
	Transfer			09 Feb 2018	(780)	107606	0.2827
	Transfer			16 Feb 2018	(468)	107138	0.2814
	Transfer			23 Feb 2018	(2237)	104901	0.2755
	Transfer			02 Mar 2018	(5678)	99223	0.2606
	Transfer			09 Mar 2018	(4815)	94408	0.2480
	Transfer			16 Mar 2018	(11953)	82455	0.2166
	Transfer			23 Mar 2018	28500	110955	0.2914
	Transfer			31 Mar 2018	(11627)	99328	0.2609
	AT THE END OF THE YEAR					99328	0.2609
9	IL AND FS SECURITIES SERVICES LIMITED	78721	0.2068	-	-	78721	0.2068
	Transfer			07 Apr 2017	5705	84426	0.2218
	Transfer			14 Apr 2017	(1017)	83409	0.2191
	Transfer			21 Apr 2017	(2853)	80556	0.2116
	Transfer			28 Apr 2017	9305	89861	0.2360
	Transfer			05 May 2017	800	90661	0.2381
	Transfer			12 May 2017	(6825)	83836	0.2202
	Transfer			19 May 2017	(3150)	80686	0.2119
	Transfer			26 May 2017	(11540)	69146	0.1816
	Transfer			02 Jun 2017	5659	74805	0.1965
	Transfer			09 Jun 2017	1120	75925	0.1994
	Transfer			16 Jun 2017	(172)	75753	0.1990
	Transfer			23 Jun 2017	(3162)	72591	0.1907

Sr. No.		Shareholding at the beginning of the year 01.04.2017		Transactions during the year		Cumulative Shareholding at the end of the year 31.03.2018	
	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			30 Jun 2017	11800	84391	0.2217
	Transfer			07 Jul 2017	1644	86035	0.2260
	Transfer			14 Jul 2017	2025	88060	0.2313
	Transfer			21 Jul 2017	9353	97413	0.2559
	Transfer			28 Jul 2017	9845	107258	0.2817
	Transfer			04 Aug 2017	4535	111793	0.2936
	Transfer			11 Aug 2017	14560	126353	0.3319
	Transfer			18 Aug 2017	3833	130186	0.3420
	Transfer			25 Aug 2017	363	130549	0.3429
	Transfer			01 Sep 2017	6962	137511	0.3612
	Transfer			08 Sep 2017	(9950)	127561	0.3351
	Transfer			15 Sep 2017	(4881)	122680	0.3222
	Transfer			22 Sep 2017	(29598)	93082	0.2445
	Transfer			29 Sep 2017	33106	126188	0.3315
	Transfer			06 Oct 2017	5655	131843	0.3463
	Transfer			13 Oct 2017	(25440)	106403	0.2795
	Transfer			20 Oct 2017	9402	115805	0.3042
	Transfer			27 Oct 2017	(951)	114854	0.3017
	Transfer			03 Nov 2017	(13460)	101394	0.2663
	Transfer			10 Nov 2017	3400	104794	0.2753
	Transfer			17 Nov 2017	(2566)	102228	0.2685
	Transfer			24 Nov 2017	(4976)	97252	0.2555
	Transfer			01 Dec 2017	(25564)	71688	0.1883
	Transfer			08 Dec 2017	(4234)	67454	0.1772
	Transfer			15 Dec 2017	18245	85699	0.2251
	Transfer			22 Dec 2017	311	86010	0.2259
	Transfer			29 Dec 2017	(1723)	84287	0.2214
	Transfer			30 Dec 2017	(2300)	81987	0.2154
	Transfer			05 Jan 2018	(5520)	76467	0.2009
	Transfer			12 Jan 2018	3832	80299	0.2109
	Transfer			19 Jan 2018	22525	102824	0.2701
	Transfer			26 Jan 2018	(19598)	83226	0.2186
	Transfer			02 Feb 2018	(17427)	65799	0.1728
	Transfer			09 Feb 2018	27100	92899	0.2440
	Transfer			16 Feb 2018	(937)	91962	0.2416
	Transfer			23 Feb 2018	1199	93161	0.2447
	Transfer			02 Mar 2018	(3614)	89547	0.2352
	Transfer			09 Mar 2018	(8722)	80825	0.2123
	Transfer			16 Mar 2018	1445	82270	0.2161
	Transfer			23 Mar 2018	12119	94389	0.2479
	Transfer			31 Mar 2018	1614	96003	0.2522

Sr. No.		Shareholding at the beginning of the year 01.04.2017		Transactions during the year		Cumulative Shareholding at the end of the year 31.03.2018	
	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
	AT THE END OF THE YEAR					96003	0.2522
10	PHILLIPCAPITAL (INDIA) PRIVATE LIMITED	650	0.002			650	0.0017
	Transfer			12 May 2017	(450)	200	0.0005
	Transfer			19 May 2017	(100)	100	0.0003
	Transfer			28 July 2017	7783	7883	0.0207
	Transfer			01 Sep 2017	12403	20286	0.0533
	Transfer			08 Sep 2017	(19036)	1250	0.0033
	Transfer			15 Sep 2017	150	1400	0.0037
	Transfer			22 Sep 2017	(1350)	50	0.0001
	Transfer			29 Sep 2017	5150	5200	0.0137
	Transfer			30 Sep 2017	225	5425	0.0142
	Transfer			20 Oct 2017	(4625)	800	0.0021
	Transfer			27 Oct 2017	3280	4080	0.0107
	Transfer			3 Nov 2017	(3921)	159	0.0004
	Transfer			24 Nov 2017	841	1000	0.0026
	Transfer			01 Dec 2017	(800)	200	0.0005
	Transfer			08 Dec 2017	(90)	110	0.0003
	Transfer			15 Dec 2017	90	200	0.0005
	Transfer			29 Dec 2017	6300	6500	0.0171
	Transfer			05 Jan 2018	2465	8965	0.0235
	Transfer			12 Jan 2018	165	9130	0.0240
	Transfer			19 Jan 2018	(2630)	6500	0.0171
	Transfer			02 Feb 2018	500	7000	0.0184
	Transfer			09 Feb 2018	10500	17500	0.0460
	Transfer			16 Feb 2018	4445	21945	0.0576
	Transfer			23 Feb 2018	(3445)	18500	0.0486
	Transfer			02 Mar 2018	5	18505	0.0486
	Transfer			09 Mar 2018	(2505)	16000	0.0420
	Transfer			16 Mar 2018	1000	17000	0.0447
	Transfer			23 Mar 2018	(2990)	14010	0.0368
	Transfer			31 Mar 2018	45190	59200	0.1555
	AT THE END OF THE YEAR					59200	0.1555

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

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
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
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

VI INDEBTEDNESS

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

(₹ in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning 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**
Change in Indebtedness during the financial year				
Additions	10,972	-	-	10,972
Reduction	-	(8,484)	-	(8,484)
Net Change	**10,972**	(8,484)	-	**2,488**
Indebtedness at the end of the financial year				
i) Principal Amount	43,433	-	-	43,433
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	625	-	-	625
Total (i+ii+iii)	**44,058**	**-**	-	**44,058**

VII 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	2079596	1021570	3101166
	(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)	**10783592**	**9328338**	**20111930**
	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	3351120	**5249760**
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961		819150	181599	**1000749**
	(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	179568	**530622**
	Gratuity		62510	71942	**134452**
	Total		**3131354**	**3784229**	**6915583**

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

VIII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: Nil

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

Economic Overview

The year gone by (F.Y. 2017-18) has been quite an eventful one in terms of various policy level initiatives as well as disruptive changes. We saw the Indian economy still grappling with the effects of demonetization during the beginning of the fiscal year. Also the roll out of the "Goods and Service Tax" (GST) has been a landmark policy initiative by the government. While there would always remain opposing perspectives to how effective the two policies have been, we can say with a certain degree of confidence that the Indian economy has now taken these in its stride and is moving ahead. The annual economic survey predicts the GDP growth rate for 2018-19 to be around 7.5%.

But the path ahead is not without its fair share of headwinds. The biggest challenge comes from the hardening of crude oil prices. With the signs of instability in Middle East and West Asia (including the recent announcements by the US of a hardening stance vis-à-vis Iran) showing no signs of abatement, it is likely that the era of low fuel prices may be behind us now. Another set of challenges emerge from the recent announcements by global leaders which in a way create doubts about free international trade amongst countries going ahead. This is very likely to have an adverse impact on India's fiscal deficit going ahead especially since India is heavily dependent upon imports for its crude oil requirements. On the domestic front, the past year has seen significant movement as far as the banking sector is concerned. While the government's moves to clean up bank's books and resolution of stressed assets are laudable, it is hoped that it does not lead to sclerosis in the lending activities of banks to Indian industry. Hardening of prices of other commodities like steel is also seen as a major challenge to the manufacturing and infrastructure sectors going forward.

However there is definitely hope for economic revival going ahead owing to a number of factors which include better monsoon predictions for 2018 and a host of encouraging policy level decisions taken and initiatives put in place by the government. With sustained focus on the "Make in India" philosophy, 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", budgetary support to infrastructure, etc it is hoped that 2018-19 would be a more wholesome year for the Indian economy in terms of economic revival.

WIL is fully geared up to meet the upcoming challenges as well as to gain from the opportunities likely to emerge. The last fiscal year has seen visible signs of further opening up of sectors like defence, aerospace, nuclear and railways to the private sector. It is hoped that the benefit of such opportunities would not remain restricted to the top echelons of corporate India but would also trickle down in a wholesome manner to mid and small tier companies as well. WIL continues to be hopeful about the future of the strategic sectors (mentioned above) where it has a sizeable and established presence and would also selectively invest in capabilities and infrastructure given clear visibility of orders.

Financial Performance

Sales & Profitability

Following is the summary of sales & profitability for the fiscal 2017-18 compared with previous year.

Particulars	FY 2017-18	FY 2016-17
Total Income	**40,730**	40,144
EBIDTA (Before Exceptional Items & Exchange Currency fluctuations)	**8,422**	5,240
EBIDTA (After Exceptional Items & Exchange Currency fluctuations)	**8,375**	5,098
Profit / (Loss) Before Tax (PBT)	**(2,582)**	(5,419)
Profit / (Loss) After Tax (PAT)	**(2,582)**	(7,952)
Cash Profit / (Loss)	**764**	(4,385)
Fully diluted EPS	**(6.78)**	(20.89)

(All figures in INR lakhs except EPS, which is an absolute number)

Business Segment-wise Order Book, Performance & focus areas

The order book as on 31st March 2018 stood at INR 803 Crore. The order mix indicates a clear bias towards hi-tech manufacturing (57% by order value). Gong ahead, the approach is clearly to focus on strategic manufacturing sectors like defence, aerospace, nuclear, missiles coupled with product businesses like gears and centrifugal as well as process equipment fabrication and supply.

The clear trend mentioned above is evident in the revenue mix of the recent two quarters where the share of manufacturing has been more than 80% as well as in the mix of orders booked in FY 17-18 wherein approx 90% could be attributed to manufacturing.

Key Events

- Supply of critical equipment for India's defence and missile programs
- Achieved highest output rate per month (22 sets) for delivery of AKASH missile sub-assemblies
- 600th set of AKASH missile sub-assemblies flagged off from Walchandnagar
- Supply of key equipments for India's space program. Completed one round of capital investment to augment output to meet higher requirements of flight hardware in the years ahead
- Bagged order for gearboxes for "Offshore Patrol Vessels" (OPV) from Goa shipyard. The same would in turn be supplied to the Indian Coast Guard

- Received work completion certificate for Tendaho-phase 1 project (sugar + co-generation) being carried out in Ethiopia.
- Significant progress in the phased completion of sugar + co generation projects of Tamil Nadu Electricity Board (TNEB)
- Attained 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 an ever increasing thrust on manufacturing businesses in strategic sectors as against EPC businesses where the approach would be selective.

Execution excellence is the key to profitable growth and your company's management clearly realizes this golden rule. In fact the last two quarters (Q3 and Q4 FY 17-18) have seen execution pick up significantly post the infusion of strategic funds from KKR, India. The working capital profile has also improved substantially.

Exposure to retention money and guarantees is an inherent part of the business of your company which is especially pronounced in the case of long gestation projects. However with work completion having been achieved in Tendaho-phase 1 project and phase-wise work in progress in case of TNEB project, we expect such exposure to gradually reduce.

Liquidity & Financial Prudence

Management of liquidity assumes even more importance when the size of the projects being handled goes up and also when the deadlines of execution are stringent and payment terms are competitive. 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. 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
- Focus on core & less cyclical industries such as Missiles and Aerospace
- More focus on product business like Gears and Centrifugal Machines
- Develop parallel business lines like – equipment supply for railways, process equipment
- 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 Trainee 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 following:

- Strong trend towards skew in order book in favour of hi-tech manufacturing
- Strong business outlook in strategic sectors like Defence, Aerospace, Missile, Gears, etc
- Marked improvement in the progress of long gestation EPC projects.
- Ongoing efforts towards cost-rationalization.
- Likely positive impact of general macro-economic conditions in the domestic economy and government's thrust on "Make in India".

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 pronouncaements, 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.

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, 2018, 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, 2017 to March 31, 2018 are given below:

Information on Board of Directors

Name of Director	Category / Designation	No. of Board Meetings held	Attendance (01.04.2017 to 31.03.2018)		No. of other Director-ship 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	4	4	Yes	1	0	0	55930*	-	-	-	-
Mr. Dilip J. Thakkar	I - NED	4	3	Yes	6	1	3	0	-	-	-	-
Dr. Anil Kakodkar	I - NED	4	4	Yes	1	0	0	0	-	-	-	-
Mr. G. N. Bajpai	I - NED	4	3	Yes	7	4	5	0	-	-	-	-
Mr. A. R. Gandhi	I - NED	4	4	Yes	2	1	2	0	-	-	-	-
Mrs. Bhavna Doshi	I - NED	4	4	Yes	9	5	4	0	-	-	-	-
Mr. G. K. Pillai	MD & CEO	4	4	Yes	1	0	0	N.A.	-	107.84	-	107.84
Mr. Chirag C. Doshi §	MD	4	4	Yes	1	0	1	N.A.	-	93.28	-	93.28

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, 2017 to March 31, 2018, four Board Meetings were held on May 26, 2017; September 13, 2017; November 28, 2017 and February 13, 2018 and the maximum gap between the two Board meetings did not exceed 120 days.

3. There were no 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 https://walchand.com/wp-content/uploads/2018/04/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, 2018 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, 2018 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 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	3
Dr. Anil Kakodkar	4	4
Mr. Chakor L Doshi	4	4
Mr. G. N. Bajpai	2	1

The Audit Committee was re-constituted vide Circular Resolution dated May 11, 2017 by Inducting Mr. G. N. Bajpai due to leave of absence of Mr. Dilip J. Thakkar, Chairman of the Audit Committee, for the Audit Committee Meeting held on May 26, 2017 and the same was again re-constituted vide Circular Resolution of the Board dated November 24, 2017 to its original position.

Mr. G. N. Bajpai was elected as the Chairman for the Audit Committee Meeting held on May 26, 2017, by the Members of the Audit Committee as Mr. Dilip J. Thakkar, Chairman of the Audit Committee was not present for the Meeting held on May 26, 2017.

Four Audit Committee Meetings were held during the Financial Year 2017-18 on May 26, 2017; September 13, 2017; November 28, 2017 and February 13, 2018.

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 09, 2017.

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, 2018, 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	2	2
Mr. Dilip J. Thakkar	2	1
Dr. Anil Kakodkar	2	2
Mr. Chakor L Doshi	2	2

Two Nomination & Remuneration Committee Meeting were held during the Financial Year 2017-18 on May 26, 2017 and November 28, 2017.

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.

During the Financial Year 2017-2018 the Non-Executive Directors has not drawn any remuneration from the Company.

Details of remuneration paid to Executive Directors:

The details of remuneration paid / provided for Mr. G. K. Pillai for the Financial Year 2017-18 is as follows:

Amount paid / payable (₹ in Lakhs)

Details	**Mr. G. K. Pillai Managing Director & CEO**
Salary	87.04
Perquisites	20.80
Contribution to P.F. and Superannuation	--
Gratuity	--
Commission	--
Total	**107.84**

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

Service Contract : 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 2017-18 is as follows:

Amount paid / payable (₹ in Lakhs)

Details	**Mr. Chirag C. Doshi Managing Director**
Salary	67.80
Perquisites	10.21
Contribution to P.F. and Superannuation	12.96
Gratuity	2.31
Commission	--
Total	**93.28**

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

Service Contract : 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 2017-18, 5 complaints were received from shareholders and were resolved as per details given hereunder:

Sr. No.	Nature of query / Complaint	Pending as on 01.04.17	Received during the Financial Year	Redressed during the period	Pending as on 31.03.18
1	Non Receipt of Dividend / Interest/ Redemption Warrant	0	2	2	0
2	Non Receipt of Annual Report	0	3	3	0
	TOTAL	**0**	**5**	**5**	**0**

Attendance of Directors at the Stakeholders Relationship Committee Meeting held during the Financial Year 2017-18 is as under:		
Name of Director	**No. of Meetings held**	**No. of Meetings attended**
Dr. Anil Kakodkar	1	1
Mr. Dilip J. Thakkar	1	0
Mr. Chakor L Doshi	1	1

During the Financial Year 2017-18 under review, one Stakeholders Relationship Committee Meeting was held on May 26, 2017. 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. Anil Vasant Gabhe, Chief Internal Auditor. 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 2017-18 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 2017-18 under review, two meetings of Finance Committee were held on May 26, 2017 and November 28, 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	1
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 2017-18 under review, one meeting of Corporate Social Responsibility was held on May 26, 2017.

Attendance of Directors at the Corporate Social Responsibility Committee Meeting held during the Financial Year are as under		
Name of Director	**No. of Meetings held**	**No. of Meetings attended**
Mrs. Bhavna Doshi	1	1
Mr. G. K. Pillai	1	1
Mr. Chirag C. Doshi	1	1

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

(10) Committee of Independent Directors:

Independent Directors Committee has been constituted as per the provisions of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the Financial Year 2017-18, the Independent Directors Meeting of the Company was held on May 26, 2017.

Independent Directors Meeting considered the performance of Independent / Non-Independent Directors and the 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.

Attendance of Directors at the Independent Directors Committee Meeting held during the Financial Year 2017-18 is as under		
Name of Director	**No. of Meetings held**	**No. of Meetings attended**
Dr. Anil Kakodkar	1	1
Mr. Dilip J. Thakkar	1	0
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 2017-18 under review, no meeting of the Allotment Committee was held.

During the Financial Year 2016-2017 the shareholders through Postal Ballot authorized Board of Directors of the Company through its Allotment Committee to make Allotment of NCD's and deal with all related matters.

During the year under review Allotment Committee vide Circular Resolution No. 1 of 2017 dated September 18, 2017 considered and approved allotment of 5700 Unlisted Non – Convertible Debentures with a face value of Rs. 1,00,000/- each issued by the company on a private placement basis.

(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 2017-18 under review, one meeting of the Committee of Directors for Capital Issue was held on September 09, 2017.

Attendance of Directors at the Committee of Directors for Capital Issue Meeting held during the Financial Year are as under		
Name of Director	**No. of Meetings held**	**No. of Meetings attended**
Mr. Dilip J. Thakkar	1	1
Mr. G. N. Bajpai	1	1
Mr. Chakor L. Doshi	1	1

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

During the Financial Year 2016-2017 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.

(13) General Body meetings:

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

Year	Venue	Date	Time
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.
April 2016-March 2017	Walchand Hirachand Hall, IMC Building, Churchgate, Mumbai – 400 020	09.08.2017	04.00 pm

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 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
- April 2016 – March 2017
  - a) Resolution Number 4, Resolution under Section 149, 152 read with Schedule IV to accord consent of Shareholders of the Company for Appointment of Mr. Dilip J. Thakkar (DIN:00007339), as an Independent Director for second term of 5 years period.
  - b) Resolution Number 6, Resolution under Section 196, 197 of Companies Act, 2013, read with Schedule V to accord consent of Shareholders of the Company for 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.

c) Resolution Number 7, Resolution under Section 196 ,197 of the Companies Act 2013, read with Schedule V to accord consent of the shareholders of the Company for Appointment of Mr. Chirag C. Doshi , Managing Director of the company for a period of three years w.e.f. April 01,2017,

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

(B) Special resolution passed through Postal Ballot during the FY 2017-2018, the person who conducted the postal ballot exercise and details of the Voting Pattern: N.A**.**

(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 August 14, 2018.

(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 Agents 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 Agents for receiving soft copies of various communications including the Annual Reports.

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 14, 2018 at 3.30 p.m. Walchand Hirachand Hall, Indian Merchants' Chambers Building, Churchgate, Mumbai – 400 020

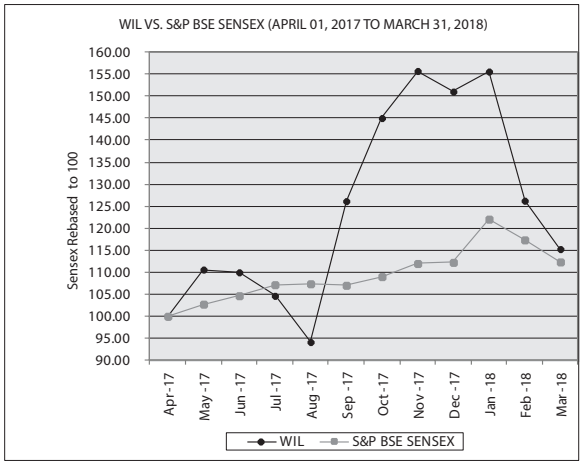
ii)	Financial Year	:	April - March The results for every Quarter are declared within 45 days from the end of the Quarter except for the last Quarter, for which Annual Audited Results are declared within the period of 60 days from the end of the Quarter as per Regulation 33 of the SEBI (Listing Obligations 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 2018-2019 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

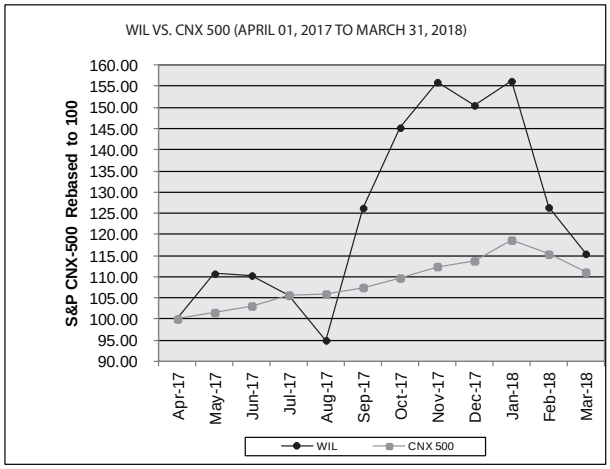
(Amount in ₹)

Month	**BSE**		**S&P BSE SENSEX**	**NSE**		**CNX-500**
	High	**Low**	**Closing**	**High**	**Low**	**Closing**
Apr-17	159.80	144.20	29918.40	159.90	143.55	9304.05
May-17	191.80	144.45	31145.80	191.90	144.05	9621.25
Jun-17	181.80	152.55	30921.61	182.00	152.65	9520.90
Jul-17	170.00	148.10	32514.94	170.20	150.00	10077.10
Aug-17	153.40	132.80	31730.49	153.45	134.70	9917.90
Sep-17	240.90	142.60	31283.72	240.50	142.60	9788.60
Oct-17	246.80	194.10	33213.13	246.70	194.00	10335.30
Nov-17	272.90	200.50	33149.35	272.70	200.65	10226.55
Dec-17	250.50	208.65	34056.83	250.70	206.00	10530.70
Jan-18	267.00	206.00	35965.02	267.45	206.65	11027.70
Feb-18	216.00	167.80	34184.04	216.00	167.55	10492.85
Mar-18	195.80	154.60	32968.68	196.00	154.25	10113.70

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 2017-18:





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, 2018 :

Category	No. of Shares	%
Promoters & Directors, Directors Relatives/HUF & Group Companies/ Group Trusts	20938613	55.00
Mutual Funds & Unit Trust of India	5000	0.01
Banks, Financial Institutions, State Government	303600	0.80
Insurance Companies	1379988	3.62
Bodies Corporate & Clearing Members	2191542	5.76
NRI/OCB/FII/FN/FPI	442537	1.16
Public (Resident Indians / Trusts/ HUF/Office bearers)	12454871	32.72
Investor Education & Protection Fund	354054	0.93
TOTAL	**38070205**	**100.00**

(b) Distribution of shareholding as on March 31, 2018 :

Shareholding of nominal value of ₹	Number of Shareholders	% to Total	Amount in ₹	% to Total
1 to 5000	61957	99.5421	21650376	28.4348
5001 to 10000	146	0.2346	2139790	2.8103
10001 to 20000	78	0.1253	2246780	2.9508
20001 to 30000	24	0.0386	1209994	1.5892
30001 to 40000	15	0.0241	1025514	1.3469
40001 to 50000	4	0.0064	367500	0.4827
50001 to 100000	5	0.008	698706	0.9177
100001 to onwards	13	0.0209	46801750	61.4677
TOTAL	**62242**	**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, 2018, 3,72,99,841 equity shares representing 97.98% 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
Email : 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) 2361 2195/96/97
Fax No.: (022) 23634527
Email: investors@walchand.com; giriraj.agrawal@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 109th Annual General Meeting, a part of this 109th 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 2010-2011 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. Accordingly 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 needs to be transferred in demat mode to one folio in the name of "Unclaimed Suspense Account" with one of the Depository Participants. Accordingly 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 grant 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 IND AS-24, the details of related party transactions are given in Note No. 46 to the notes on financial statements for the Financial Year 2017-18, 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-l 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. Jayesh Sanghrajka & 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.

(x) *Commodity Price Risk or Foreign Exchange Risk And Hedging Activities*

Please refer Management Discussion and Analysis Report for details.

(xi) *Compliance Of Corporate Governance Requirements Specified In Regulation 17 To 27 And Regulation 46(2)(B) To (I) Of Listing Regulations*

Your Company confirms compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub- regulation (2) of regulation 46 of the Listing Regulations.

(xii) *Weblink for determining " material " subsidiaries*

The Company's Policy for determining material subsidiary can be accessed through weblink https://walchand.com/wp-content/uploads/2016/05/Policy-on-Material-Subsidiary.pdf

(xiii) *Disclosures with respect to demat suspense account/ unclaimed suspense account (Unclaimed Shares)*

In terms of Regulation 39 of the Listing Regulations, the Company reports the following details in respect of equity shares lying in the suspense account. The disclosure as required under schedule V of the Listing Regulations is given below:

(a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e 1st April, 2017 - 1002 Shareholders and 119900 Shares.

(b) Number of shareholders who approached listed entity for transfer of shares from suspense account during the year - Nil

(c) Number of shareholders to whom shares were transferred from suspense account during the year - Nil

(d) Number of Shares transferred to IEPF - 896 Shareholders and 99780 Shares

(e) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year i.e 31st March, 2018 - 106 Shareholders and 20120 Shares.

(f) Voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares - Yes.

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 1st March, 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, 2018.

G. K. Pillai
Managing Director & CEO

Date: May 28, 2018

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, 2018.

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

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

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

For Jayesh Sanghrajka & Co. LLP.
Chartered Accountants
ICAI Firm Registration Number: 104184W/W100075

Ashish Sheth
Designated Partner
Membership No. 107162

Place : Mumbai
Dated : May 28, 2018

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 incentives from MSEDCL.

2 Replacement of 400W mercury vapour 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 18W LED tube lights.

3 Modification in Hydrotesting facility for reduction in oil filling time by 90%, resulting in substantial energy & time saving.

4 Use of green oil in place of LDO in furnaces resulting in substantial saving on fuel cost.

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

(1) Reduction In heat loss, improvement in efficiency of Carborizing Furnace in Heat Treatment section.

(2) Segment Drilling SPM which will result in reduction in power consumption of machine by 50%.

(3) By using solar power - Study of feasibility of the project is in progress.

(c) **Capital Investments in Energy Conservation Equipments:**

There was no Capital Investments in Energy Conservation Equipment during the year.

(B) TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT

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

Development of hot wire TIG process for Nuclear products

Welding of Monel material.

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

Improvement in quality and reduction in cycle time.

(3) Future Plan of Action

Development of welding processes & fabrication of higher thickness 15CDV6 material.

Expenditure on R&D

	₹ in Lakhs
Capital (Development Expenditure)	0.00
Recurring	0.00
Total	0.00
Total R&D Expenditure Percentage to turnover (%)	0.000

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

(i) Nil

(5) Technology absorption, adaptation and innovations:

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

- Continuous monitoring of technology trends.
- Continuous interaction & exchange of information.
- Development of new products for VSSC.
- Established testing facility for VSSC.

(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.
- Obtaining more orders in future.

(C) FOREIGN EXCHANGE EARNING AND OUTGO

Foreign exchange used and earned:

Earnings in Foreign Exchange	₹ 3,567.05 lakhs
Foreign Exchange Outgo	₹ 605.80 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, 2017 to March 31, 2018, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year from April 01, 2017 to March 31, 2018, 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 2017-18	Remuneration of Director / KMP for the Financial Year 2017-18	% 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	10,783,592	*	36.75:1
2.	Mr. Chirag C. Doshi Managing Director	9,328,338	*	31.79:1
3.	Mr. Vivek Jain Chief Financial Officer	3,784,229	#	-
4.	Mr. G. S. Agrawal Vice President (Legal &Taxation) & Company Secretary	3,131,354	#	-

* 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.

ii) In the Financial Year, there was no increase in the median remuneration of employees;

iii) There were 1654 permanent employees on the rolls of Company as on March 31, 2018;

iv) **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.

v) 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 MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018

[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 31st March, 2018 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, 2018 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 **(Not applicable to the Company during the Audit period)**; 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 two 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 28, 2018.

This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this Report.

Annexure A

To,

The members,
Walchandnagar Industries Limited

Our Secretarial Audit Report of even date for the financial year ended 31st March, 2018 is to be read along with this letter.

1. Maintenance of Secretarial Record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our Audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial Records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the Compliance of Laws, Rules & Regulations and happening of events, etc.
5. The Compliance of provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

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

Place: Mumbai
Date: May 28, 2018.

CERTIFICATE BY CHIEF EXECUTIVE OFFICER / CHIEF FINANCIAL OFFICER IN TERMS OF REGULATION 17 (8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMNETS) 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 and cash flow statements for the financial year ended March 31, 2018 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 transaction is entered into by the company during the financial year ended March 31, 2018 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 during the financial year 2017-18.

(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 financial year ended March 31, 2018 under reference.

(ii) There has not been any significant change in accounting policies during the financial year ended March 31, 2018 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 financial year ended March 31, 2018.

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: 28.05.2018

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, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the 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 of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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.

In conducting 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 thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit of the financial statements 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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 obtained by us 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, 2018, and its Loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matter in Notes to Financial Statements:

a) Refer Note 54 regarding non-moving inventory of work-in-progress amounting to ₹ 2585 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 therefrom.

Our report is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 purposes of our audit.

   b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from overseas 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, since there were no operations on account of closure of site, the returns received from the division are unaudited.

   c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow 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 Indian Accounting Standards prescribed 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 of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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, as amended, 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 50 to the financial statement.

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 by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Jayesh Sanghrajka & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 104184W/W100075

Ashish Sheth
Designated Partner
Membership Number: 107162

Place: Mumbai
Date: May 28,2018

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **WALCHANDNAGAR INDUSTRIES LIMITED** of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 March 31, 2018 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 Board of Directors of the Company 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. 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, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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, to the best of our information and according to the explanations given to us, 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 March 31, 2018, 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 **Jayesh Sanghrajka & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 104184W/W100075

Ashish Sheth
Designated Partner
Membership Number: 107162

Place: Mumbai
Date: May 28,2018

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of WALCHANDNAGAR INDUSTRIES LIMITED of even date)

i. In respect of the Company's fixed assets:

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

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date 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.

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. According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.

(c) Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2018 on account of dispute are given below:

Name of the statute	Nature of Dues	Amt. (₹ in lakhs)	Period to which the amount relates	Forum where the 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)	June, 2001 to March, 2004	Supreme Court
Central Excise Act, 1944	Excise duty demand on bought out items supplied for centrifugals which have already suffered duty at manufacturers' end.	188.95 (Net of CENVAT reversal and payment)	February 1990, to June 2017	Supreme Court / CESTAT Tribunal
Central Excise Act, 1944	Excise duty demand on bought out items supplied for centrifugals.	2.47	September, 2009 to January 2011	CESTAT, Mumbai
Central Sales Tax,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
Maharashtra Vat Act,2002 / Central Sales Tax,1956	Demand due to difference in amount of "C" forms/ other miscellaneous	1,080.53	2013-14	Commissioner (Appeals), Sales Tax
Service Tax	Demand on value addition of bought out items, ₹28.76 lakhs paid under protest.	362.65	2006-10	CESTAT, Kolkata
Customs Act,1962	Demand due to customs valuation issues	64.50	July,2008 till date	Madras High Court, Chennai
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
Employees Provident Fund	EPF-Demand from EPF authorities	50.68	2006-07	Mumbai High Court

viii. There are no loans or borrowings from Government. To the best of our knowledge and according to the information and explanations given to us, except following delays, the Company has not defaulted in repayment of any loans or borrowings from financial institutions, banks and to debenture holders.

Lender's Name	Period of Delay	Amount- ₹ in lakhs	Due on	Actual payment date
State Bank of India	3	200.00	31-Mar-17	3-Apr-17
Bank of India	78	175.00	30-Jun-17	16-Sep-17

ix. The Company has not raised moneys by way of initial public offer or further public offer. However during the year, the company raised ₹ 57 crores through issue of Non-Convertible Debentures and ₹ 180 crores through Term Loan. To the best of our knowledge and according to the information and explanations given to us, the company has applied these monies for the purposes for which they are raised.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

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

For **Jayesh Sanghrajka & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 104184W/W100075

Ashish Sheth
Designated Partner
Membership Number: 107162

Place: Mumbai
Date: May 28,2018

WALCHANDNAGAR

1908-2008

BALANCE SHEET AS AT MARCH 31, 2018

₹ in Lakhs

	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	3	**36,065**	38,704	41,915
(b) Capital Work-in-Progress		**161**	103	56
(c) Investment Property	4	**189**	189	189
(d) Intangible Assets	5	**159**	146	209
(e) Financial Assets				
(i) Investments	6	**145**	150	128
(ii) Trade Receivables	7	**1,935**	1,645	660
(iii) Other Financial Assets	8	**603**	368	438
(f) Non Current Tax Asset (Net)		**959**	1,297	2,106
(g) Deferred Tax Assets (Net)		**-**	-	1,901
(h) Other Non-Current Assets	9	**4,430**	1,636	1,531
Total Non - Current Assets		**44,646**	44,238	49,133
Current Assets				
(a) Inventories	10	**17,110**	19,228	22,000
(b) Financial Assets				
(i) Investments	11	**158**	361	44
(ii) Trade Receivables	12	**36,985**	36,008	35,898
(iii) Cash and Cash Equivalents	13	**845**	1,073	2,423
(iv) Other Balances with Banks	14	**2,335**	694	233
(v) Other Financial Assets	15	**4,119**	5,646	7,398
(c) Other Current Assets	16	**6,288**	8,851	6,121
(d) Asset held for sale		**2,978**	4,808	4,808
Total Current Assets		**70,818**	76,669	78,925
Total Assets		**115,464**	120,907	128,058
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	17	**761**	761	761
(b) Other Equity	18	**33,143**	35,683	43,663
Equity Attributable to Owners of the Company		**33,904**	36,444	44,424
Liabilities				
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	19	**24,853**	5,255	11,053
(ii) Other Financial Liabilities	20	**685**	685	693
(b) Provisions	21	**1,193**	1,246	809
(c) Other Non-Current Liabilities	22	**4,237**	4,735	4,459
Total Non - Current Liabilities		**30,968**	11,921	17,014
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	23	**18,580**	36,114	30,006
(ii) Trade Payables	24	**9,545**	8,720	7,747
(iii) Other Financial Liabilities	25	**7,348**	10,365	7,846
(b) Other Current Liabilities	26	**14,810**	17,192	20,677
(c) Provisions	27	**309**	151	344
Total Current Liabilities		**50,592**	72,542	66,620
Total Equity and Liabilities		**115,464**	120,907	128,058

See accompanying notes forming part of the financial statements

As per our report attached

For Jayesh Sanghrajka & Co. LLP
Chartered Accountants
FRN.: 104184W/W100075

Ashish Sheth
Designated Partner
Membership No.: 107162

Date: May 28, 2018
Place: Mumbai

G. K. Pillai
Managing Director & CEO
DIN : 01537184

Chirag C. Doshi
Managing Director
DIN : 00181291

Date: May 28, 2018
Place: Mumbai

For Walchandnagar Industries Limited

Chakor L. Doshi
Chairman
DIN : 00210949

Dilip J. Thakkar
Director
DIN : 00007339

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

Vivek Jain
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

₹ in Lakhs except Earnings per share

	Particulars	Note No.	Year ended March 31, 2018	Year ended March 31, 2017
I	Revenue from Operations		**40,445**	42,369
	Less: Excise Duty		**604**	2,578
		28	**39,841**	39,791
II	Other Income	29	**889**	353
III	**TOTAL REVENUE (I +II)**		**40,730**	40,144
IV	**EXPENSES**			
	Cost of Materials consumed	30	**15,134**	17,194
	Sub-contracting expenses, Processing charges and Other Direct Costs	31	**2,568**	2,461
	Changes in inventories of finished goods and work-in-progress	32	**2,776**	1,664
	Employee Benefits Expense	33	**7,773**	8,232
	Finance Costs	34	**7,611**	6,950
	Depreciation and Amortisation Expense	35	**3,346**	3,567
	Other Expenses	36	**4,104**	5,495
	TOTAL EXPENSES		**43,312**	45,563
V	**PROFIT / (LOSS) BEFORE TAX (III-IV)**		**(2,582)**	(5,419)
VI	**Tax Expense**		**-**	-
	Current Tax		**-**	-
	Deferred Tax		**-**	1,901
	Short provision of tax for earlier years		**-**	632
	Total Tax Expense		**-**	2,533
VII	**PROFIT / (LOSS) AFTER TAX (V-VI)**		**(2,582)**	(7,952)
VIII	**Other Comprehensive Income**			
	I. Items that will not be reclassified to Profit or Loss			
	(a) Remeasurements of the Defined Benefit Liabilities - gain / (losses)		**47**	(51)
	(b) Equity Instruments through Other Comprehensive Income - gain / (losses)		**(5)**	22
	II. Income Tax relating to items that will not be reclassified to Profit or Loss		**-**	-
	Total Other Comprehensive Income		**42**	(29)
IX	**TOTAL COMPREHENSIVE INCOME (VII + VIII)**		**(2,540)**	(7,981)
XII	**EARNINGS PER EQUITY SHARE OF FACE VALUE OF ₹ 2 EACH**	45		
	(1) Basic		**(6.78)**	(20.89)
	(2) Diluted		**(6.78)**	(20.89)

See accompanying notes forming part of the financial statements

As per our report attached

For Jayesh Sanghrajka & Co. LLP
Chartered Accountants
FRN.: 104184W/W100075

Ashish Sheth
Designated Partner
Membership No.: 107162

Date: May 28, 2018
Place: Mumbai

For Walchandnagar Industries Limited

G. K. Pillai
Managing Director & CEO
DIN : 01537184

Chirag C. Doshi
Managing Director
DIN : 00181291

Date: May 28, 2018
Place: Mumbai

Chakor L. Doshi
Chairman
DIN : 00210949

Dilip J. Thakkar
Director
DIN : 00007339

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

Vivek Jain
Chief Financial Officer

WALCHANDNAGAR

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

₹ in Lakhs

	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit / (Loss) before tax	**(2,582)**	(5,419)
	Adjustments for :		
	Depreciation and Amortization Expense	**3,346**	3,567
	Provision for doubtful debts	**(6)**	803
	Profit on sale of Property, Plant and Equipment	**(3)**	-
	Finance Costs	**7,611**	6,950
	Unrealized Exchange Loss (net)	**47**	142
	Sundry Balances Written back	**-**	(6)
	Interest Income	**(507)**	(146)
	Rental Income from Investment property	**(153)**	(11)
	Dividend Income on Current Investments	**(2)**	(1)
	Profit on sale of Current Investments	**(6)**	(12)
	Gain on investments carried at fair value through profit and loss	**(15)**	(16)
		10,312	11,270
	Operating profit before working capital changes	**7,730**	5,851
	Change in operating assets and liabilities		
	Increase in trade receivables	**(1,272)**	(1,898)
	Decrease in other financial assets	**1,292**	1,821
	Increase in other assets	**(233)**	(2,835)
	Decrease in inventories	**2,117**	2,772
	Decrease in trade payable	**826**	973
	Increase in other financial liabilities	**(3,040)**	2,360
	Decrease in provisions	**106**	244
	Increase in other liabilities	**(2,882)**	(3,209)
		(3,086)	228
	Cash Generated from Operations	**4,644**	6,079
	Income Tax Refund / (Paid) (net)	**339**	176
	Net cash inflow from operating activities (A)	**4,983**	6,255
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of tangible/intangible assets including capital work in progress	**(754)**	(342)
	Proceeds from Sale of Property, Plant and Equipment	**44**	2
	Purchase of Current Investments	**-**	(321)
	Sale of Current Investments	**194**	-
	Additions in Investment Property	**-**	-
	Rent received on Investment Property	**153**	11
	Proceed from sale of assets held for sale	**1,830**	-
	Fixed Deposit / Margin Money Realized	**(1,641)**	(461)
	Dividend received on current investment	**2**	1
	Interest Received	**507**	146
	Net cash inflow from investing activities (B)	**335**	(964)

₹ in Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long-Term Borrowings (Net)	**19,599**	(5,798)
Repayment of Short-Term Borrowings (Net)	**(17,534)**	6,107
Interest paid	**(7,611)**	(6,950)
Net cash outflow from financing activities (C)	**(5,546)**	(6,641)
Net Decrease in Cash and Cash Equivalents (A+B+C)	**(228)**	(1,350)
Cash and Cash Equivalents at the beginning of the year	**1,073**	2,423
Cash and Cash Equivalents at the end of the year	**845**	1,073

Cash & Cash Equivalents comprises of:

Particulars	As at March 31, 2018	As at March 31, 2017
Cash on hand	**18**	21
Funds in transit	**-**	1
Balances with banks	**797**	907
Deposits having original maturity of less than three months	**30**	144
Total	**845**	1,073

See accompanying notes forming part of the financial statements

As per our report attached

For Jayesh Sanghrajka & Co. LLP
Chartered Accountants
FRN.: 104184W/W100075

Ashish Sheth
Designated Partner
Membership No.: 107162

Date: May 28, 2018
Place: Mumbai

G. K. Pillai
Managing Director & CEO
DIN : 01537184

Chirag C. Doshi
Managing Director
DIN : 00181291

Date: May 28, 2018
Place: Mumbai

For Walchandnagar Industries Limited

Chakor L. Doshi
Chairman
DIN : 00210949

Dilip J. Thakkar
Director
DIN : 00007339

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

Vivek Jain
Chief Financial Officer

Annexure A

₹ In Lakhs

Particulars	Quarter ended March 31, 2017	Year March 31, 2017
Net Profit/(Loss) as per Previous GAAP	**(2,523)**	**(6,426)**
Adjustments:		
Gain on fair valuation of current investments	10	16
Actuarial gain on defined benefit liability recognized in P&L	51	51
Impact on provisioning of receivables as per Expected Credit Loss Method	46	223
Impact of fair valuation of financial assets (Security deposits)	-	-
Additional charge of depreciation which in earlier years was adjusted against revaluation reserve	(432)	(1,816)
Tax Impact on above GAAP Adjustments	-	-
Net Loss as per Ind AS	(2,847)	(7,952)
Other comprehensive Income - Fair value of non current investment	19	22
Actuarial loss on defined benefit liability recognized in Other comprehensive income	(51)	(51)
Total Comprehensive Income as per Ind AS	**(2,879)**	(7,981)

₹ In Lakhs

Reconciliation of equity

Particulars	As at March 31, 2017	As at April 1, 2016
Balance as per previous GAAP	**47,693**	**56,195**
Gain on revaluation of non - current investments carried at fair value through P&L	45	29
Gain on revaluation of current investments carried at fair value through OCI	138	116
Reversal of revaluation reserve on reclassification of certain assets as investment properties	(2,981)	(2,981)
Revaluation reserve adjustment for assets held for sale	(4,443)	(4,443)
Impact on provisioning of receivables as per Expected Credit Loss Method	(4,268)	(4,491)
Reversal of depreciation expense for immovable properties classified as assets held for sale	260	-
Balance as per Ind AS	**36,444**	**44,425**

A. Equity Share Capital

₹ In Lakhs

Balance as of April 1, 2016	Changes in equity share capital during year	Balance as at March 31, 2017
761	-	761
Balance as of April 1, 2017	**Changes in equity share capital during year**	**Balance as at March 31, 2018**
761	-	761

B. Other Equity

₹ In Lakhs

Particulars	Securities Premium	Capital Redemption Reserve	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Total
Balance as at April 1, 2016	4,994	50	5,606	44,784	-	55,434
Gain on revaluation of non - current investments carried at fair value through P&L	-	-	-	29	-	29
Gain on revaluation of current investments carried at fair value through OCI	-	-	-	-	116	116
Reversal of revaluation reserve on reclassification of certain assets as investment properties	-	-	-	(2,981)	-	(2,981)
Revaluation reserve adjustment for assets held for sale	-	-	-	(4,443)	-	(4,443)
Impact on provisioning of receivables as per Expected Credit Loss Method	-	-	-	(4,491)	-	(4,491)
Total adjusted Opening Balances	**4,994**	**50**	**5,606**	**32,897**	**116**	**43,663**
Loss for the year ended				(7,951)		(7,951)
Gain on revaluation of current investments carried at fair value through OCI	-	-	-	-	22	22
Other Comprehensive Income (net)	-	-	-	(51)		(51)
Total Comprehensive income	**-**	**-**	**-**	**(8,003)**	**22**	**(7,981)**
Balance as at March 31, 2017	4,994	50	5,606	24,895	138	35,683
Particulars	**Securities Premium**	**Capital Redemption Reserve**	**General Reserve**	**Retained Earnings**	**Equity Instruments through Other Comprehensive Income**	**Total**
Balance as at April 1, 2017	4,994	50	5,606	24,895	138	35,683
Loss for the year ended	-	-	-	(2,582)	-	(2,582)
Other Comprehensive Income (net)	-	-	-	47	(5)	42
Total Comprehensive income				(2,535)	(5)	(2,540)
Balance as at March 31, 2018	**4,994**	**50**	**5,606**	**22,360**	**133**	**33,143**

As per our report attached

For Jayesh Sanghrajka & Co. LLP
Chartered Accountants
FRN.: 104184W/W100075

Ashish Sheth
Designated Partner
Membership No.: 107162

Date: May 28, 2018
Place: Mumbai

For Walchandnagar Industries Limited

G. K. Pillai
Managing Director & CEO
DIN : 01537184

Chirag C. Doshi
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Chakor L. Doshi
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G. S. Agrawal
Vice President (Legal & Taxation) & Company Secretary

Dilip J. Thakkar
Director
DIN : 00007339

Vivek Jain
Chief Financial Officer

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

1. CORPORATE INFORMATION :

Walchandnagar Industries Limited "(the Company)" is a limited company incorporated and domiciled in India whose shares are publicly traded. The registered office is located at 3, Walchand Terraces, Tardeo Road, Mumbai – 400 034, Maharashtra, India.

The Company is an ISO 9001:2008 certified Heavy Engineering and Project execution company. The Company has diversified business offerings across core sectors with focus on EPC / Turnkey Projects, Hi Tech Manufacturing, Engineering Products and Engineering Services.

The financial statements for the year ended March 31, 2018 were approved by the Board of Directors and authorises for issue on May 28, 2018.

2. SIGNIFICANT ACCOUNTING POLICIES :

2.1 Statement of Compliance :

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015. These are the Company's first financial statements prepared in accordance with Ind AS and Ind AS 101 First time adoption of Indian Accounting Standards has been applied.

An explanation and effect of transition from Indian GAAP (referred to as "Previous GAAP") to Ind AS has been described in Note 37 to these financial statements.

2.2 Basis of preparation of financial statements :

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

In estimating the fair value of an asset or liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purpose in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 Share-based Payment, leasing transactions that are within the scope of Ind AS 17 Leases, and measurements that have some similarities to fair value but are not fair value, such as value in use in Ind AS 36 Impairment of assets.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

2.3 Use of Estimates :

The preparation of financial statements requires the management of the company to make estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of income and expenses during the reported period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

Critical accounting estimates

i) Revenue Recognition

The Company applies the percentage of completion method in accounting for its fixed price contracts. Use of the percentage of completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

ii) Income taxes

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions.

iii) Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The policy for the same has been explained under Note 2.5.

iv) Provisions

Provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. The policy for the same has been explained under Note 2.19.

2.4 Current versus non-current classification :

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

i. Expected to be realised or intended to be sold or consumed in normal operating cycle,

ii. Held primarily for the purpose of trading,

iii. Expected to be realised within twelve months after the reporting period, or

iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

i. It is expected to be settled in normal operating cycle,

ii. It is held primarily for the purpose of trading,

iii. It is due to be settled within twelve months after the reporting period, or

iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

Operating cycle for the business activities of the company covers the duration of the specific project/contract/project line/service including the defect liability period, wherever applicable and extends up to the realization of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business. For non-project related assets and liabilities, operating cycle is 12 months.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

2.5 Property, Plant & Equipment and Intangible assets :

Property, Plant & Equipment and intangible assets are stated at actual cost less accumulated depreciation and net of impairment. The actual cost capitalised includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction/installation stage.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on Property, Plant & Equipment including assets taken on lease, other than freehold land is charged based on straight line method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013.

The estimated useful lives and residual values of the Property, Plant & Equipment and Intangible assets are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets costing upto ₹ 5,000 are fully depreciated in the year of purchase except when they are part of a larger capital investment programme.

The cost of software purchased for internal use is capitalized and amortized in three years.

Technical know-how is amortized in six years.

An item of Property, Plant & Equipment and intangible assets is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant & Equipment and intangible assets are determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit or loss.

2.6 Investment Property :

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost model in accordance with Ind AS 16 Property, Plant and Equipment.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

2.7 Leases :

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

i) Finance Lease

Where the Company, as a lessor, leases assets under finance lease, such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is based on constant rate of return on the outstanding net investment.

Assets taken on finance lease are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance costs and reduction of outstanding liability. Finance costs are recognised as an expense in the statement of profit or loss over the period of lease, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with Company's general policy on borrowing costs.

ii) Operating Lease

Lease arrangements under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease rental under operating lease are recognised in the Statement of Profit and Loss on a straight line basis over the lease term.

iii) Sale and Lease back transaction

In case of a sale and leaseback transaction resulting in a finance lease, any excess or deficiency of sales proceeds over the carrying amount is deferred and amortised over the lease term in proportion to the depreciation of the leased asset. Profit or Loss on Sale and Lease back arrangements resulting in finance leases are recognised, in case the transaction is established at fair value, else the excess over the fair value is deferred and amortised over the period for which the asset is expected to be used.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

2.8 Impairment of Assets :

i) Financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ii) Non-financial assets

Property, Plant & Equipment and Other Intangible assets

Property, Plant and Equipment and Other intangible assets with finite life are evaluated for recoverability when there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognised in the profit or loss.

2.9 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 applicable taxes.

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 on sale of goods is recognized when significant risks and rewards of ownership of such goods are transferred and such revenue is capable of being reliably measured.

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 is recognised using effective interest rate method.

b. Dividend income is recognised when the Company's right to receive dividend is established

E Export Benefits

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

F All other incomes are recognised on accrual basis.

2.10 Foreign Currency Transactions-Non monetary Items-

Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are reported using the exchange rates at the date when the fair value is determined. The gain or loss is recognised in other comprehensive income or the statement of profit and loss is also recognised in other comprehensive income or the statement of profit and loss respectively.

2.11 Inventories :

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, taxes other than those which are subsequently recoverable from taxing authorities.

2.12 Government grants :

Government grants are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants will be received.

Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the financial statements and transferred to profit or loss on a systematic and rational basis over the useful life of the related assets.

Grants related to revenue are accounted for as other income in the period in which the related costs which Government intend to compensate are accounted for to the extent there is no uncertainty in receiving the same Incentives which are in the nature of subsidies given by the Government which are based on the performance of the Company are recognised in the year of performance/ eligibility in accordance with the related scheme. Government grants in the form of non-monetary assets, given at a concessional rate, are accounted for at their fair value.

2.13 Foreign currency transactions :

The functional currency of the company is Indian Rupees (INR).

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the dates of Balance Sheet. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are recognized in the profit or loss.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

2.14 Financial Instruments :

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

i) Non-derivative financial instruments

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value

Financial asset not measured at amortised cost is carried at fair value through profit or loss (FVTPL) on initial recognition, unless the company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investment in equity instruments which are not held for trading.

The Company, on initial application of IND AS 109 Financial Instruments, has made an irrevocable election to present in other comprehensive income subsequent changes in fair value of equity instruments not held for trading.

Financial asset at FVTPL are measured at fair values at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss.

Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest rate method or at FVTPL. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit and loss.

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

ii) Derecognition of financial instruments

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

The Company derecognises financial liabilities when, and only when, the Company's obligation are discharged, cancelled or have expired.

2.15 Employee benefits :

i) Gratuity

The Company accounts for its gratuity liability, a defined retirement benefit plan covering eligible employees. The gratuity plan provides for a lump sum payment to employees at retirement, death, incapacitation or termination of the employment based on the respective employee's salary and the tenure of the employment. Liabilities with regard to a Gratuity plan are determined based on the actuarial valuation carried out by an independent actuary as at the Balance Sheet date using the Projected Unit Credit method.

Actuarial gains and losses are recognised in full in other comprehensive income and accumulated in equity in the period in which they occur. Past service cost is recognised in profit or loss in the period of a plan amendment.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

ii) Provident Fund

The eligible employees of the Company are entitled to receive the benefits of Provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently at 12% of the basic salary) which are charged to the Statement of Profit and Loss on accrual basis. The provident fund contributions are paid to the Regional Provident Fund Commissioner by the Company. The Company has no further obligations for future provident fund.

iii) Superannuation and ESIC

Superannuation fund and Employees' State insurance scheme (ESI), which are defined contribution schemes, are charged to the Statement of Profit and Loss on accrual basis.

The Company has no further obligations for future superannuation fund benefits other than its annual contributions.

iv) Compensated advances

The Company provides for the compensated absences subject to Company's certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment or availment. The liability is provided based on the number of days of unavailed leave at each Balance Sheet date on the basis of an independent actuarial valuation using the Projected Unit Credit method.

The liability which is not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised based on actuarial valuation as at the Balance Sheet date.

Actuarial gains and losses are recognised in full in the Statement of Profit and Loss in the period in which they occur.

The company also offers a short term benefit in the form of encashment of unavailed accumulated compensated absence above certain limit for all of its employees and same is being provided for in the books at actual cost.

v) Other short term employee benefits

Other short-term employee benefits such as overseas social security contributions and performance incentives expected to be paid in exchange for the services rendered by employees, are recognised in the statement of profit and loss during the period when the employee renders the service.

2.16 Borrowing costs :

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of the asset. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to the Statement of Profit and Loss.

2.17 Taxation :

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to / recovered from the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the local tax laws existing in the respective countries.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are recognised in other comprehensive income or directly in equity, respectively.

Advance taxes and provisions for current income taxes are presented in the statement of financial position after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

Deferred income tax asset are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is probable evidence that the Company will pay normal income tax after the tax holiday period.

Deferred tax assets and liabilities are offset when it relates to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

The Company recognises interest levied and penalties related to income tax assessments in interest expenses.

2.18 Earnings per Share :

Basic earnings/ (loss) per share are calculated by dividing the net profit / (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the period and also after the Balance Sheet date but before the date the financial statements are approved by the Board of Directors.

For the purpose of calculating diluted earnings / (loss) per share, the net profit / (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

2.19 Provision, Contingent Liabilities and Contingent Assets :

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance costs. Contingent liabilities and Contingent assets are not recognized in the financial statements.

2.20 Segment Accounting :

The Chief Operational Decision Maker identifies and monitors the operating results of its business segments separately for purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. The Operating segments have been identified on the basis of the nature of products/services.

2.21 Assets Held For Sale :

Non-current assets held for sale are measured at the lower of their carrying value and fair value of the assets less costs to sale. Assets and liabilities classified as held for sale are presented separately in the balance sheet. Property, plant and equipment once classified as held for sale are not depreciated/ amortised.

2.22 New Accounting Standards, Amendments to Existing Standards, Annual Improvements and Interpretations Effective Subsequent to March 31, 2018 :

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Company is in process of evaluating the impact on the financial statements.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

Ind AS 115- Revenue from Contract with Customers: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The standard permits two possible methods of transition:• Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors • Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018. The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparaatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The Company is in process of evaluating the impact on the financial statements.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

NOTE 3 : PROPERTY, PLANT AND EQUIPMENT

₹ in Lakhs

Particulars	Gross Block				Accumulated Depreciation					Net Block
	Deemed Cost as at April 01, 2016	Additions during the year	Deletions during the year	Balance as at March 31, 2017	As at April 01, 2016	Depreciation for the year	Deletions during the year	Adjustments	Upto March 31, 2017	As at March 31, 2017
Freehold Land	10,610	-	-	10,610	-	-	-	-	-	10,610
Buildings	14,799	25	-	14,824	-	712	-	-	712	14,112
Plant and Equipments	16,244	216	-	16,460	-	2,631	-	-	2,631	13,829
Furniture and Fixtures	128	1	-	129	-	46	-	-	46	83
Vehicles	73	10	-	83	-	23	-	-	23	60
Office Equipments	61	8	2	67	-	57	-	-	57	10
Total	41,915	260	2	42,173	-	3,469	-	-	3,469	38,704

₹ in Lakhs

Particulars	**Gross Block**				**Accumulated Depreciation**					**Net Block**
	Cost as at April 01, 2017	**Additions during the year**	**Deletions during the year**	**Balance as at March 31, 2018**	**As at April 01, 2017**	**Depreciation for the year**	**Deletions during the year**	**Adjustments**	**Upto March 31, 2018**	**As at March 31, 2018**
Freehold Land	10,610	-	-	**10,610**	-	-	-	-	**-**	**10,610**
Buildings	14,824	173	17	**14,980**	712	697	1	-	**1,408**	**13,572**
Plant and Equipments	16,460	470	193	**16,737**	2,631	2,480	168	-	**4,943**	**11,794**
Furniture and Fixtures	129	2	-	**131**	46	29	-	-	**75**	**56**
Vehicles	83	6	-	**89**	23	36	-	-	**59**	**30**
Office Equipments	67	12	0	**79**	57	19	-	-	**76**	**3**
Total	**42,173**	**663**	**210**	**42,626**	**3,469**	**3,261**	**169**	**-**	**6,561**	**36,065**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

NOTE 4 : INVESTMENT PROPERTY

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Investment Properties (I -II)	**189**	189	189

Particulars	As at March 31, 2018	As at March 31, 2017
I. Gross Block		
Opening Balance	**189**	189
Additions/(deletion) during the year	**-**	
Closing Balance	**189**	189
II. Accumulated depreciation		
Opening Balance	**-**	-
Amortisation expense for the year	**-**	-
Closing Balance	**-**	-

NOTE 5 : INTANGIBLE ASSESTS

₹ in Lakhs

Particulars	Intellectual property rights	Software (other than internally generated)	Total
I. Gross Block			
As at April 1, 2016	72	137	209
Additions during the year	-	35	35
As at March 31, 2017	72	172	244
Additions during the year	98	-	98
Disposals or classified as held for sale	-	-	-
Balance as at March 31, 2018	**170**	**172**	**342**
II. Accumulated depreciation			
Balance as at April 1, 2016	-	-	-
Amortisation expense for the year	**27**	**71**	**98**
Balance as at March 31, 2017	27	71	98
Amortisation expense for the year	23	62	85
Balance as at March 31, 2018	**50**	**133**	**183**
Net Block as at March 31, 2018 (I - II)	**120**	**39**	**159**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

NOTE 6 : NON CURRENT INVESTMENTS

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non Trade Investments			
(a) Investments in Associates			
- Unquoted			
- In Equity Shares:			
Walchand Foundries Private Limited	-	-	-
Nil (March 31, 2017: Nil; April 1, 2016: 481) equity shares of ₹100 each fully paid			
Sub Total (a)	-	-	-
(b) Other Investments			
- Quoted			
Bombay Cycle & Motor Agency Limited	**11**	9	8
600 (March 31, 2017: 600; April 1, 2016: 600) equity shares of ₹10 each fully paid			
HDFC Bank Limited	**47**	36	27
2500 (March 31, 2017: 2500; April 1, 2016: 2500) equity shares of ₹2 each fully paid			
Bank of Baroda	**86**	104	92
60,000 (March 31, 2017: 60,000; April 1, 2016: 60,000) equity shares of ₹2 each fully paid			
- Unquoted			
Maharashtra State Co-operative Bank Limited	-	-	-
2 (March 31, 2017: 2; April 1, 2016: 2) equity shares of ₹50 each fully paid			
Shushrusha Citizens Co-operative Hospital Limited	-	-	-
100 (March 31, 2017: 100; April 1 2016: 100) equity shares of ₹100 each fully paid			
Walchand Terraces Co-operative Housing Society Limited	-	-	-
10 (March 31, 2017: 10; April 1, 2016: 10) equity shares of ₹50 each fully paid			
Walchandnagar Industries Limited (Foundry Division) Employees Consumers Co-operative Society Limited	-	-	-
10 (March 31, 2017: 10;April 1, 2016: 10) equity shares of ₹25 each fully paid			
Actis Biologics Private Limited	**103**	103	103
104,250 (March 31, 2017: 104,250; April 1, 2016: 104,250) equity shares of ₹10 each fully paid			
Less: Provision for Diminution	**(102)**	(102)	(102)
	1	1	1
Sub Total (b)	**145**	150	128
Sub Total (a+b)	**145**	150	128

Note :
Details of Investments

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Investments carried at cost	-	-	-
Investments carried at fair value through Other Comprehensive Income	**145**	150	128
Investments carried at fair value through profit and loss	-	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

NOTE 7 : TRADE RECEIVABLES : NON CURRENT

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade receivables (refer note 2.8(i))			
Unsecured, considered good	**1,935**	1,645	660
Unsecured, considered doubtful	**7,654**	7,790	6,247
Less: Allowance for doubtful debts	**(7,654)**	(7,790)	(6,247)
Total	**1,935**	1,645	660

NOTE 8 : OTHER FINANCIAL ASSETS : NON CURRENT

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Security Deposits			
- Unsecured, considered good	**256**	231	301
Fixed deposits/ margin money deposits having maturities of more than 12 months from balance sheet date	**347**	137	137
Total	**603**	368	438

NOTE 9 : OTHER NON-CURRENT ASSETS

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Capital Advances			
Considered Good	**102**	68	15
Considered Doubtful	**-**	-	-
Less: Allowance on advances to suppliers	**-**	-	-
	102	68	15
Prepaid Expenses	**1,404**	1,236	1,249
Balance with Government Authorities	**2,567**	-	-
Other Loans and Advances			
Considered Good	**357**	332	267
Considered Doubtful	**20**	26	38
Less: Allowance on other loans and advances	**(20)**	(26)	(38)
Total	**4,430**	1,636	1,531

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

NOTE-10 : INVENTORIES

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Valued at Cost or Net Realizable Value whichever is lower)			
Goods in Transit, at cost	**57**	-	-
Raw Materials and Components	**4,985**	4,551	5,236
Stores and Spares	**1,422**	1,162	1,399
Stock in Trade	**33**	81	89
Dies, Jigs, Tools, Moulds & Patterns	**141**	268	454
Work in progress	**10,370**	13,110	14,787
Finished Products	**93**	51	30
Finished Goods-in-transit	**9**	5	5
Total	**17,110**	19,228	22,000

NOTE 11 : CURRENT INVESTMENTS

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Investments Carried at fair value through profit and loss)			
Investment in Mutual Funds	**85**	301	-
HDFC Cash Management Fund Savings Plan Regular Plan Growth			
2354.374 units (March 31, 2017: 8903.698 units; April 1, 2016: Nil)			
Investment in equity shares of Housing Development Finance Corporation Limited	**73**	60	44
4000 (March 31, 2017: 4000; April 1, 2016: 4000) equity shares of ₹ 2 each fully paid			
Total	**158**	361	44

NOTE 12 : TRADE RECEIVABLES : CURRENT

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade receivables			
- Unsecured, considered good	**36,985**	36,008	35,898
- Unsecured, doubtful (refer note 2.8(i))	**1,096**	889	1,709
Less: Allowance for doubtful debts	**(1096)**	(889)	(1709)
Total	**36,985**	36,008	35,898

NOTE 13 : CASH AND CASH EQUIVALENTS

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Cash in hand	**18**	21	20
Fund in Transit / Cheques on Hand	**-**	1	-
Balances with banks			
- In Current Account	**797**	907	1,988
- In Deposit Account	**30**	144	415
Total	**845**	1,073	2,423

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

NOTE 14 : OTHER BALANCES WITH BANKS

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
In Deposit Accounts	**191**	-	-
Earmarked Balances with Banks			
- Unclaimed Dividend	**24**	34	51
- Balances held as Margin Money/Security towards obtaining Bank Guarantees	**1,940**	480	2
- Balance held under Escrow Account	**180**	180	180
Total	**2,335**	694	233

NOTE 15 : OTHER FINANCIAL ASSETS : CURRENT

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Unsecured, considered good unless otherwise stated)			
Unbilled Revenue	**4,119**	5,646	7,398
Total	**4,119**	5,646	7,398

NOTE-16 : OTHER CURRENT ASSETS

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance with Government Authorities			
Considered good	**1,322**	3,491	3,433
	1,322	3,491	3,433
Advances to employees			
Considered good	**101**	67	73
	101	67	73
Advances to suppliers			
Considered good	**3,160**	4,333	1,772
Considered doubtful	**770**	770	770
Less: Allowance for doubtful receivables	**(770)**	(770)	(770)
	3,160	4,333	1,772
Prepaid Expenses	**1,602**	888	797
Other Loans and Advances			
Considered good	103	72	46
	103	72	46
Total	**6,288**	8,851	6,121

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

NOTE 17 : EQUITY SHARE CAPITAL

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Number	₹ in Lakhs	Number	₹ in Lakhs	Number	₹ in Lakhs
Authorised Capital						
10% Cumulative Preference Shares of ₹ 100 each	**50,000**	**50**	50,000	50	50,000	50
Preference Shares of ₹ 100 each	**50,000**	**50**	50,000	50	50,000	50
Equity shares of ₹ 2/- each with voting rights	**120,000,000**	**2,400**	120,000,000	2,400	120,000,000	2,400
		2,500		2,500		2,500
Issued, Subscribed and Paid up	**38,070,205**	**761**	38,070,205	761	38,070,205	761
Total	**38,070,205**	**761**	38,070,205	761	38,070,205	761
Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period:						
Shares outstanding at the beginning of the year	**38,070,205**	**761**	38,070,205	761	38,070,205	761
Shares issued during the year	**-**	**-**	-	-	-	-
Shares outstanding at the end of the year	**38,070,205**	**761**	38,070,205	761	38,070,205	761

Terms/Rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of 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 shares held by the shareholders.

Details of Shareholders holding more than 5% Equity Shares

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Walchand Kamdhenu Commercials Pvt Ltd.	**9,869,673**	**26**	9,869,673	26	9,869,673	26
Walchand Great Achievers Pvt Ltd.	**5,260,160**	**14**	5,260,160	14	5,260,160	14
Rodin Holdings Inc	**3,000,000**	**8**	3,000,000	8	3,000,000	8
Olsson Holdings Inc	**2,000,000**	**5**	2,000,000	5	2,000,000	5

As per the records of the company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

NOTE 18 : OTHER EQUITY

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Capital Redemption Reserve	**50**	50	50
Securities Premium Account	**4,994**	4,994	4,994
General Reserve	**5,606**	5,606	5,606
Retained Earnings			
Opening balance	**24,895**	32,897	32897
Add : Loss for the year	**(2,582)**	(7,951)	-
Add : Other Comprehensive Income	**47**	(51)	-
Closing Balance	**22,360**	24,895	32,897
Equity Instruments through Other Comprehensive Income			
Opening Balance	**138**	116	116
Add : Other Comprehensive Income	**(5)**	22	-
Closing Balance	**133**	138	116
Total	**33,143**	35,683	43,663

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

NOTE 19 : BORROWINGS : NON CURRENT

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Measured at amortised cost			
Secured Borrowings:			
From Banks / NBFCS			
(i) Corporate Loan / NCD	**23,700**	3,750	8,936
(ii) Vehicle Loan	**3**	5	8
Others	**1,150**	1,500	2,109
Total	**24,853**	5,255	11,053

(A) Secured Loan of ₹ 18,000 lakhs taken from KKR India Financial Services Pvt. Ltd. and non-convertible debentures of ₹ 5700 lakhs issued to KKR India Debt Opportunities Fund II are at an interest rate of 14% p.a.

i) Repayment schedule are as under:

₹ in Lakhs

Date of Repayment	Corporate Loan repayment Amount	NCD Repayment Amount	Total Instalment Amount
September 30, 2019	**2,700**	800	3,500
September 30, 2020	**3,400**	1,100	4,500
September 30, 2021	**4,200**	1,300	5,500
September 30, 2022	**5,000**	1,500	6,500
September 30, 2023	**2,700**	1,000	3,700
Total	**18,000**	5,700	23,700

ii) They are secured by:

1) First charge on specified land and buildings at Walchandnagar, Mumbai and Dharwad.

2) First charge by way of pledge of shareholdings of promoters/affiliates amounting to 53.99% of paid-up capital of the company.

3) First charge on the designated bank account held with State Bank of India.

(B) Corporate loans from State Bank of India and Bank of India outstanding on March 31, 2017 and April 1, 2016 have been repaid in full. The securities charged for the corporate loans have now been transferred to the working capital loans.

(C) Vehicle Loan from Axis Bank - Secured by vehicle bought under loan and repayable in 48 Equated monthly installments of ₹ 0.26 Lakhs and interest @ 11% p.a. Balance instalments payable on balance sheet date are 23.

(D) Other borrowing pertains to Acceptances. In case of HED division they are secured by mortgage of residential flat in Mumbai, specified land and building situated at Walchandnagar 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. Further secured by second charge on all the assets given to KKR India and charge on Residual from sales of Shares pledged to KKR India.

Acceptances for Foundry, Satara are 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.

The above are at an interest rate of 15.05% from Bank of India and 15.85% from State Bank of India.

NOTE 20: OTHER FINANCIAL LIABILITIES : NON CURRENT

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Others	**685**	685	693
Total	**685**	685	693

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

NOTE 21 : PROVISIONS : NON CURRENT

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for employee benefits			
Gratuity	**1,027**	1,081	665
Compensated absences	**166**	165	144
Total	**1,193**	1,246	809

NOTE 22 : OTHER NON CURRENT LIABILITIES : NON CURRENT

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deposit in Escrow Liability	**180**	180	180
Advance from Customer	**4,057**	4,555	4,279
Total	**4,237**	4,735	4,459

NOTE 23: BORROWINGS : CURRENT

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a) From Banks (Secured)			
(i) Buyers Credit	**360**	389	397
(ii) Working Capital Loan	**18,220**	27,240	27,795
(b) From Banks (Unsecured)			
(i) Working Capital Loan	**-**	485	1,414
(ii) Intercorporate Deposits from related parties - Unsecured	**-**	8,000	400
Total	**18,580**	36,114	30,006

The facilities mentioned at a(i) & a(ii) above peratining to HED division are secured by mortgage of residential flat in Mumbai, specified land and building situated at Walchandnagar 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. Further secured by second charge on all the assets given to KKR India and charge on Residual from sales of Shares pledged to KKR India.

The facilities mentioned at a(i) & a(ii) above peratining to Foundry division,Satara are 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.

The secured working capital loan from IndusInd bank secured by mortgage of Mahim property has been repaid on September 16, 2017.

Unsecured loans from Citibank, Walchand Great Achievers Pvt. Ltd. and Walchand Kamdhenu Commercials Pvt. Ltd. have been fully repaid on September 16, 2017.

NOTE 24: TRADE PAYABLES

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade Payables			
- Due to Micro, Small and Medium Enterprises (Refer Note 52)	**803**	990	574
- Others	**8,742**	7,730	7,173
Total	**9,545**	8,720	7,747

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

NOTE 25: OTHER FINANCIAL LIABILITIES : CURRENT

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current maturities of long-term loans (secured)			
(i) Vehicle Loan	**3**	3	6
(ii) Corporate Loan	**-**	1,700	1,500
Unclaimed dividends	**25**	35	52
Accrued Salaries and Benefits	**1,231**	949	871
Expenses	**6,089**	7,678	5,417
Total	**7,348**	10,365	7,846

NOTE 26 : OTHER CURRENT LIABILITIES

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advances received from customers	**13,119**	13,670	18,619
Statutory Remittances	**1,166**	634	279
Others	**-**	-	784
Contracts In Progress Payable	**525**	2,888	995
Total	**14,810**	17,192	20,677

NOTE 27 : PROVISIONS : CURRENT

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for employee benefits			
Gratuity	**269**	128	296
Compensated absences	**40**	23	48
Total	**309**	151	344

NOTE 28 : REVENUE FROM OPERATIONS

₹ in Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Revenue From operations	**39,841**	39,791
Total	**39,841**	39,791

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

NOTE 29 : OTHER INCOME

₹ in Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest Income		
- On Bank deposits	**85**	35
- On Other financial assets carried at amortised cost	**422**	111
Bad Debts Recovered	**-**	133
Dividend Income on Non Current Investment	**2**	1
Profit on sale of Current Investements	**6**	12
Rental income	**153**	11
Occupation Fees	**30**	-
Profit on Sale of Asset	**3**	-
Gain on investments carried at fair value through profit and loss	**15**	16
Sundry Balances Written Back	**-**	6
Miscellaneous Income	**173**	28
Total	**889**	353

NOTE 30 : COST OF MATERIALS CONSUMED

₹ in Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
(A) Materials consumed comprise:		
(a) Plates, Sheets, Beams & Steel Materials	**1,026**	683
(b) Steel Scrap	**1,361**	2,080
(c) Castings	**642**	1,973
(d) Pig Iron	**-**	2
(e) Ferro Alloys	**191**	204
(f) Bought and Components etc.	**10,082**	10,414
(g) Materials Consumed at Sites	**202**	108
	13,504	15,464
(B) Stores and Spares consumed	**1,630**	1,730
Total	**15,134**	17,194

NOTE 31 : SUB-CONTRACTING EXPENSES, PROCESSING CHARGES AND OTHER DIRECT COSTS

₹ in Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Sub-contracting Expenses and Processing Charges	**2,568**	2,461
Total	**2,568**	2,461

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

NOTE 32 : CHANGES IN INVENTORIES OF FINISHED GOODS & WORK-IN-PROGRESS

₹ in Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Inventories at the end of the year:		
(a) Finished Products	**93**	51
(b) Work-in-Progress	**10,369**	13,110
(c) Finished goods-in-transit	**9**	5
(d) Stock in trade	**-**	81
	10,471	13,247
Inventories at the beginning of the year:		
(a) Finished Products	**51**	30
(b) Work-in-Progress	**13,110**	14,787
(c) Finished goods-in-transit	**5**	5
(d) Stock in trade	**81**	89
	13,247	14,911
Total	**2,776**	1,664

NOTE 33 : EMPLOYEE BENEFITS EXPENSE

₹ in Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Salaries and wages, including bonus	**6,926**	7,398
Contribution to provident and other funds	**499**	586
Gratuity	**208**	195
Staff welfare expenses	**140**	53
Total	**7,773**	8,232

NOTE 34 : FINANCE COSTS

₹ in Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest on Debentures and Fixed Loans	**2,040**	-
Interest on Short term Loan and Cash Credits	**3,993**	5,540
Others	**1,578**	1,410
Total	**7,611**	6,950

NOTE 35 : DEPRECIATION AND AMORTISATION EXPENSE

₹ in Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation on Property, Plant and Equipment	**3,261**	3,469
Amortisation on Intangible assets	**85**	98
Total	**3,346**	3,567

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

NOTE 36 : OTHER EXPENSES

₹ in Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Power and Fuel Expenses	**1,112**	1,182
Rent	**92**	152
Rates and Taxes	**207**	167
Communication Expenses	**126**	132
Travelling Expenses	**222**	306
Bank Charges	**38**	54
Electricity Charges	**86**	104
Site Office Expenses	**294**	461
Legal and Other Professional Costs	**412**	458
Repair and Maintenance Expenses		
- Buildings (including leased premises)	**55**	33
- Machinery and Computers	**105**	114
- Others	**124**	160
Total Repairs and Maintenance Expenses	**284**	307
Insurance Charges	**199**	217
Advertisement, Promotion & Selling Expenses	**25**	220
Interest (Others)	**43**	-
General Office Expenses	**914**	331
Forwarding, Selling and Service	**9**	459
Allowances for Doubtful Receivables and Bad Debts written off		
- Provided during the year	**(6)**	803
- Bad Debts written off	**-**	-
- Less: Reversed during the year	**-**	-
Total	**(6)**	803
Foreign Exchange Loss (net)	**47**	142
Total	4,104	5,495

37 FIRST TIME ADOPTION OF IND AS:

The Company has prepared its first Indian Accounting Standards (Ind AS) compliant Financial Statements for the periods commencing April 1, 2017 with restated comparative figures for the year ended March 31, 2017 in compliance with Ind AS. The company has prepared these financial statements in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act 2013. Accordingly, the Opening Balance Sheet, in line with Ind AS transitional provisions, has been prepared as at April 1, 2016, the date of company's transition to Ind AS. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Company has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to equity under Ind AS at March 31, 2017 and April 1, 2016 and to the total comprehensive income for the year ended March 31, 2017. The principal adjustments made by the Company in restating its previous GAAP financial statements as at and for year ended March 31, 2017and the balance sheet as at April 1, 2016 are as mentioned below:

Exemptions availed:

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following material exemptions:

1. The estimates as at April 1, 2016 and as at March 31, 2017 are consistent with those made for the same dates in accordance with previous GAAP after adjustments to reflect any differences in accounting policies.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

2. Appendix C to IND AS 17 requires the Company to assess whether a contract or arrangement contains a lease. In accordance with IND AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the Company has used Ind AS 101 exemption and assessed all relevant arrangements for leases based on conditions in place as at the date of transition.

3. In accordance with the exemption given in IND AS 101, the Company has recorded investment in associate at deemed cost i.e. Previous GAAP carrying amount, as on date of transition.

4. The Company has elected to avail exemption under Ind AS 101 to use previous GAAP carrying value as deemed cost at the date of transition for all items of Property, plant and equipment, Intangible Assets and Capital work in progress as per the balance sheet prepared in accordance with previous GAAP.

Reconciliations between Previous GAAP and Ind AS

(i) Reconciliation of equity:

₹ in Lakhs

Particulars	As at March 31, 2017	As at April 1, 2016
Balance as per Previous GAAP	47,693	56,195
Adjustments:		
Gain on revaluation of non - current investments carried at fair value through P&L	45	29
Gain on revaluation of current investments carried at fair value through OCI	138	116
Reversal of revaluation reserve on reclassification of certain assets as investment properties	(2,981)	(2,981)
Revaluation reserve adjustment for assets held for sale	(4,443)	(4,443)
Impact on provisioning of receivables as per Expected Credit Loss Method	(4,268)	(4,492)
Reversal of depreciation expense for immovable properties classified as assets held for sale	260	-
Balance as per Ind AS	36,444	44,424

(ii) Reconciliation of total comprehensive income:

₹ in Lakhs

Particulars	Year ended March 31, 2017
Net profit as per Previous GAAP	(6,426)
Adjustments:	
Gain on fair valuation of current investments	17
Actuarial gain on defined benefit liability recognized in P&L	50
Impact on provisioning of reaceivables as per Expected Credit Loss Meathod	223
Additional charge of depreciation which in earleir years was adjusted against revaluation reserve	(1,816)
Net Loss as per Ind AS	(7,952)
Other comprehensive Income - Fair value of non current investment	22
Actuarial loss on defined benefit liability recognized in Other comprehensive income	(51)
Total Comprehensive income as per Ind AS	(7,981)

Notes to reconciliation between previous GAAP and Ind AS:

i. Under Indian GAAP, the Creditors for Capital Goods were not fair valued. Under Ind AS, such loans are subject to fair valued on transition date and every subsequent payments. Effect of fair valuation measurements are recognised to statement of profit and loss.

ii. The Company recognises costs related to its post-employment defined benefit plan on an actuarial basis both under Indian GAAP and Ind AS. Under Indian GAAP, the entire cost including actuarial gains and losses are charged to profit

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

or loss. Under Ind AS, remeasurements are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI.

iii. In accordance with Ind AS 12, 'Income Taxes', the Company on transition to Ind AS has recognised deferred tax on temporary differences, i.e. based on balance sheet approach as compared to the earlier approach of recognising deferred taxes on timing differences , i.e. profit and loss approach. The tax impacts as above primarily represent deferred tax consequences arising out of Ind AS re measurement changes.

iv. Under Ind AS, all items of income and expense recognised during the year are included in the profit or loss for the year, unless Ind AS requires or permits otherwise. Items that are not recognised in profit or loss but are shown in the standalone statement of profit and loss and other comprehensive income include re-measurements gains or losses on defined benefit plans. The concept of other comprehensive income did not exist under the previous GAAP.

38. DETAILS OF THE INVESTMENT PROPERTY AND ITS FAIR VALUE :

The fair value of the Company's investment properties as at March 31, 2018, March 31, 2017, and April 1, 2016 have been arrived at on the basis of a valuation carried out as of the respective dates by an independent valuer. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

The fair value was derived using:

* market comparable approach based on recent market prices without any significant adjustments being made to the market observable data.

* capitalization of net income method, where the market rentals of all lettable units of the properties are assessed by reference to the rentals achieved in the lettable units as well as other lettings of similar properties in the neighborhood. The capitalisation rate adopted is made by reference to the yield rates observed by the valuers for similar properties in the locality and adjusted based on the valuers' knowledge of the factors specific to the respective properties.

₹ in Lakhs

Particulars	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
Land	**13,217**	13,217	13,217
Total	**13,217**	13,217	13,217

39. FINANCIAL INSTRUMENTS AND RISK REVIEW

Financial Risk Management Framework

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity, which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

Credit Risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, unbilled revenue, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹47,124.86 lakhs, ₹ 45,945.41 Lakhs and ₹ 47,222.59 Lakhs as of March 31, 2018, March 31, 2017 and April 1, 2016 respectively, being the total of the carrying amount of balances with banks, bank deposits, trade receivables, unbilled revenue and other financial assets. In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks provided by the Company. The Company's maximum exposure in this respect is the maximum amount the Company would have to pay if the guarantee is called on.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

Trade receivables

IND AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. Company's exposure to customers is diversified and no single customer contributes to more than 10% of outstanding accounts receivable and unbilled revenue as of March 31, 2018, March 31, 2017 and April 1, 2016. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

The expected credit loss allowance is based on the receivables bifurcated based on the division to which they pertain and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows.

Movement in the expected credit loss allowance:

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
Balance at the beginning of the year	**8,679**	7,956
Movement in the expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	**71**	723
Balance at the end of the year	**8,750**	8,679

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

a) Foreign Currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar, ZAR against the respective functional currencies of Walchandnagar Industries Limited.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. Based on materiality the Company does not hedge any assets.

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 10% against the respective functional currencies of Walchandnagar Industries Limited.

The carrying amounts of the Company's foreign currency denominated financial assets and financial liabilities at the end of the reporting period are as follows:

Particulars	Currency	As at March 31, 2018	As at March 31, 2017
Financial Assets	USD	**10,298**	8,782
	EUR	**-**	3
	Others	**1,817**	2,062
Financial Liabilities	USD	**6,977**	7,484
	EUR	**366**	389
	Others	**-**	12

Of the above foreign currency exposures, the complete exposure is not hedged.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The amounts included above for financial guarantee contracts are the maximum amounts the Company could be forced to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the arrangement.

40. CURRENT TAX AND DEFERRED TAX

Income Tax Expense

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
Current Tax:		
In respect of current period	-	-
Deferred Tax		
In respect of current period	-	1,901
Short provision for earlier years		632
Total Income Tax Expense recognised	-	2,533

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
Profit before tax	-	-
Expected tax rate in India	-	-
Expected income tax expense / (benefit) at statutory tax rate	-	-
Income not taxable in determining taxable profits	-	-
Expenses not deductible in determining taxable profits	-	-
Minimum alternate tax	-	-
Effect of tax pertaining to prior years	-	-
Timing difference on account of Property, Plant & Equipment	-	-
Timing difference on account of Fair valuation	-	-
Deferred Tax Asset not recognised	-	-
Others	-	-
Tax Expense for the year	-	-
Effective Income tax rate	-	-

The income tax expense for the year can be reconciled to the accounting profit as follows:

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
Profit before income taxes	**(2,566)**	(5,419)
Enacted tax rates in India	**34.61%**	34.61%
Income tax expense calculated at 34.608%	**(888)**	(1,875)
Short/(excess) provision for earlier years	-	632
Effect of unrecognized deferred tax assets	**888**	3,776
Income tax expense recognised in profit or loss	-	2,533

The tax rate used for the above reconciliations are the rates as applicable for the respective periods payable by corporate entities in India on taxable profits under the India tax laws.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

Deferred Tax:

The following is the analysis of Deferred Tax Assets presented in the Balance Sheet:

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deferred tax assets	**311**	171	1,901
Deferred tax liabilities	**(311)**	(171)	-
Deferred tax assets (net)	**-**	-	1,901

The tax effect of significant timing differences that has resulted in deferred tax assets are given below:

₹ in Lakhs

Particulars	For the year ended March 31, 2018			
	Opening balance	Recognised in Profit and loss	Recognised in OCI	Closing balance
Employee Benefits	-	-	-	-
Property, Plant and Equipment	-	-	-	-
Provisions	-	-	-	-
Other Items	-	-	-	-
Net Deferred Tax Assets	-	-	-	-

₹ in Lakhs

Particulars	For the year ended March 31, 2017			
	Opening balance	Recognised in Profit and loss	Recognised in OCI	Closing balance
Employee Benefits	-	-	-	-
Property, Plant and Equipment	-	-	-	-
Provisions	-	-	-	-
Other Items	-	-	-	-
Net Deferred Tax Assets	-	-	-	-

41. PAYMENT TO AUDITORS (EXCLUDING SERVICE TAX & GST)

Administrative and other expenses includes payment made to auditor as under:

₹ in Lakhs

Particulars		Year ended March 31, 2018	Year ended March 31, 2017
a)	Audit Fees	**13**	10
b)	Taxation, Limited Review, Company Law matters and Others	**8**	13
c)	In Other Capacity	**7**	0
d)	Reimbursement of out of pocket expenses	**1**	0
Total		**29**	23

42. EARNINGS IN FOREIGN CURRENCY

₹ in Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Export of goods calculated on FOB basis	**2,541**	3,683
Others	**905**	95
Overseas Site - Zambia	**121**	4
Total	**3,567**	3,782

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

43. VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF

₹ in Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Raw Materials	**346**	531
Components & Spare parts	**66**	73
Total	**412**	604

44. EXPENDITURE IN FOREIGN CURRENCY

₹ in Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Travelling expenses	**18**	99
Commission and Others	**6**	-
Overseas Site - Ethiopia	**153**	465
Overseas Site - Zambia	**16**	8
Total	**193**	572

45. EARNINGS PER SHARE (BASIC AND DILUTED)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
i) Net Profit/ (Loss) after Tax as per Statement of Profit and loss attributable to Equity Shareholders (₹ In lakhs)	**(2,582)**	(7,952)
ii) Weighted average no of equity shares of ₹ 2 Each outstanding during the year	**381**	381
iii) Earning per Share of face value of ₹ 2 each	**(6.78)**	(20.89)

46. RELATED PARTY DISCLOSURES

Related party disclosures as required under Ind AS 24 (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 of Chairman
Mr. Chirag C. Doshi		Managing Director
Mrs. Kanika G. Sanger		Daughter of Chairman
Mrs. Tanaz Chirag Doshi		Wife of Managing Director

(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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

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
Olsson Holdings Inc.
Vinod Shashank Chakor Pvt. Ltd.
Chirag Enterprises
Walchand Engineers Pvt. Ltd.
Chiranika Properties
Walchand Botanicals Pvt. Ltd.
Rodin Holdings Inc.
Walchand Ventures LLP
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.
GS Agrawal HUF

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 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
Purchase of Goods					
	-	-	-	-	-
	-	-	-	-	-
Sub-Total	-	-	-	-	-
	-	-	-	-	-
Receiving of Services					
Mrs. Champa C. Doshi	-	-	-	-	-
	-	-	3	-	3
Mrs. Tanaz C. Doshi	-	-	-	-	-
	-	-	3	-	3
Mr. Chakor L. Doshi	-	-	-	-	-
	2	-	-	-	2
M/s Walchand Great Achievers Pvt. Ltd	-	-	-	-	-
	-	-	-	-	-
M/s. Walchand Kamdhenu Commercials	-	-	-	-	-
	-	-	-	-	-
Bombay Cycle & Motors Agency Ltd.	-	-	-	**30**	**30**
	-	-	-	42	42
Walchand Chiranika Trading Pvt. Ltd.	-	-	-	-	-
	-	-	-	-	-
Sub-Total	-	-	-	**30**	**30**
	2	-	6	42	50

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

₹ in Lakhs

Particulars	Individuals mentioned in (i) above	Key Management Personnel as mentioned in (ii) above	Relatives of Key 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
Interest on ICD					
M/s Walchand Great Achievers Pvt. Ltd	**-**	**-**	**-**	**240**	**240**
	-	-	-	292	292
M/s. Walchand Kamdhenu Commercials	**-**	**-**	**-**	**309**	**309**
	-	-	-	338	338
M/s. Walchand Chiranika Trading Pvt Ltd	**-**	**-**	**-**	**-**	**-**
	-	-	-	4	4
Sub-Total	**-**	**-**	**-**	**549**	**549**
	-	-	-	634	634
Reimbursement of Expenses					
M/s Walchand Great Achievers Pvt. Ltd	**-**	**-**	**-**	**10**	**10**
	-	-	-	-	-
M/s. Walchand Kamdhenu Commercials	**-**	**-**	**-**	**20**	**20**
	-	-	-	24	24
Bombay Cycle & Motors Agency Ltd.	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-
M/s. Walchand Chiranika Trading Pvt Ltd	**-**	**-**	**-**	**-**	**-**
	-	-	-	17	17
Sub-Total	**-**	**-**	**-**	**30**	**30**
	-	-	-	41	41
Managerial Remuneration#					
Mr. Chirag C. Doshi	**-**	**93**	**-**	**-**	**93**
	-	102	-	-	102
Mr. G. K. Pillai	**-**	**108**	**-**	**-**	**108**
	-	100	-	-	100
Mr. G. S. Agrawal	**-**	**31**	**-**	**-**	**31**
	-	23	-	-	23
Mr. Vivek Jain	**-**	**37**	**-**	**-**	**37**
	-	24	-	-	24
Sub-Total	**-**	**269**	**-**	**-**	**269**
	-	249	-	-	249
Inter-Corporate Deposits - Received					
M/s Walchand Great Achievers Pvt. Ltd	**-**	**-**	**-**	**-**	**-**
	-	-	-	4,370	4,370
M/s. Walchand Kamdhenu Commercials	**-**	**-**	**-**	**-**	**-**
	-	-	-	4,848	4,848
M/s. Walchand Chiranika Trading Pvt Ltd	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-
Sub-Total	**-**	**-**	**-**	**-**	**-**
	-	-	-	9,218	9,218

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

₹ in Lakhs

Particulars	Individuals mentioned in (i) above	Key Management Personnel as mentioned in (ii) above	Relatives of Key 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
Inter-Corporate Deposits - Repayment					
M/s Walchand Great Achievers Pvt. Ltd	**-**	**-**	**-**	**3,500**	**3,500**
	-	-	-	1,069	1,069
M/s. Walchand Kamdhenu Commercials	**-**	**-**	**-**	**4,500**	**4,500**
	-	-	-	488	488
M/s. Walchand Chiranika Trading Pvt Ltd	**-**	**-**	**-**	**-**	**-**
	-	-	-	61	61
Sub-Total	**-**	**-**	**-**	**8,000**	**8,000**
	-	-	-	1,618	1,618
Others					
Chirag C. Doshi					
(Sale of Shares of Walchand Foundries Private Limited)	**-**	**-**	**-**	**-**	**-**
Sub-Total	-	-	-	-	-
	-	-	-	-	-
Outstanding Payable					
Mr. Chakor L. Doshi	-	-	-	-	-
	48	-	-	-	48
Bombay Cycle & Motors Agency Ltd.	**-**	**-**	**-**	**20**	**20**
	-	-	-	98	98
Walchand Chiranika Trading Pvt Ltd	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-
Mr. Chirag C Doshi (HUF)	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-
Mr. Chakor L Doshi (HUF)	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-
Walchand Great Achievers Pvt Ltd	**-**	**-**	**-**	**-**	**-**
	-	-	-	3,739	3,739
Mrs. Kanika G. Sanger	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-
Walchand Kamdhenu Commercials Pvt Ltd	-	-	-	-	-
	-	**-**	**-**	**4,811**	**4,811**
Sub-Total	**-**	**-**	**-**	**20**	**20**
	48	-	-	8,648	8,696

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

The breakup of compensation of key management personnel is as follows:

Compensation of KMP's/ relative of KMP	**Chirag Doshi**	G. K. Pillai	Mr. G. S. Agrawal	Mr. Vivek Jain
Short Term Benefits	**78**	108	27	35
	87	100	23	24
Post-Employment Benefits @	**-**	-	-	-
	-	-	-	-
Other Long Term Benefits @	**-**	-	-	-
	-	-	-	-
Amortised cost for Share Based Payments	**-**	-	-	-
	-	-	-	-

@ employment benefits comprising gratuity, and compensated absences are not disclosed as these are determined for the Company as a whole.

47. FAIR VALUE MEASUREMENTS

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	**As at March 31, 2018**			As at March 31, 2017			As at March 31, 2016		
	FVTPL	**FVOCI**	**Amortised cost**	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets									
Investments:									
- equity instruments	**73**	**145**	**-**	60	150	-	44	128	-
- mutual funds	**85**	**-**	**-**	301	-	-	-	-	-
Trade receivables	**-**	**-**	**38,919**	-	-	37,653	-	-	36,558
Cash and cash equivalents	**-**	**-**	**845**	-	-	1,073	-	-	2,423
Other bank balances	**-**	**-**	**2,335**	-	-	694	-	-	233
Others	**-**	**-**	**4,722**	-	-	6,014	-	-	7,836
Total financial assets	**158**	**145**	**46,821**	361	150	45,434	44	128	47,050
Financial liabilities									
Borrowings	**-**	**-**	**43,433**	-	-	41,368	-	-	41,059
Trade payables	**-**	**-**	**9,545**	-	-	8,720	-	-	7,747
Other financial liabilities	-	-	**8,033**	-	-	11,049	-	-	8,539
Total financial liabilities	**-**	**-**	**61,011**	-	-	61,137	-	-	57,345

(i) Fair value hierarchy:

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are

(a) recognised and measured at fair value, and

(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

₹ in Lakhs

Financial assets and liabilities measured at fair value - recurring fair value measurements At March 31, 2018

	Notes	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets					
Financial investments at FVTPL					
Mutual funds	**11**	**85**	**-**	**-**	**85**
Equity instruments	**11**	**73**	**-**	**-**	**73**
Financial investments at FVOCI					**-**
Equity instruments	**6**	**144**	**-**	**1**	**145**
Total financial assets		**302**	**-**	**1**	**303**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

₹ in Lakhs

Financial assets and liabilities measured at fair value - recurring fair value measurements At March 31, 2017

	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial investments at FVTPL					
Mutual funds	**11**	**301**	**-**	**-**	**301**
Equity instruments	**11**	**60**	**-**	**-**	**60**
Financial investments at FVOCI					**-**
Equity instruments	**6**	**149**	**-**	**1**	**150**
Total financial assets		**510**	**-**	**1**	**511**

₹ in Lakhs

Financial assets and liabilities measured at fair value - recurring fair value measurements At April 1, 2016

	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial investments at FVTPL					
Equity instruments	11	44	-	-	44
Financial investments at FVOCI					-
Equity instruments	6	126	-	1	127
Total financial assets		170	-	1	171

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchange is valued using the closing price as at the reporting period.

Level 2: Fair value of financial instruments that are not traded in an active market (for example, traded bonds, over the counter derivatives) but is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument as observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification assets.

48. DISCLOSURE PURSUANT TO IND AS 19 "EMPLOYEE BENEFITS"

(i) Defined Contribution Plan

The Company makes contributions to Provident Fund and Superannuation Fund which are defined contribution plans for qualifying employees. Under these Schemes, the Company contributes a specified percentage of the payroll costs to the respective funds.

The Company recognized expense in the Statement of Profit and Loss amounting to:

- ₹ 409.14 Lakhs (March 31, 2017: ₹ 453.25 Lakhs) for Provident Fund contributions,
- ₹ (4.50) Lakhs (March 31, 2017: ₹ 51.06 Lakhs) for Superannuation Fund contributions.

The contributions to these plans are made at specified percentage/applicable amounts.

Contributions to defined contribution plans for key management personnel have been disclosed as per Note No-46

(ii) Defined Benefit Plan

The defined benefit plan comprises of gratuity. The gratuity plan is funded. Changes in the present value of Defined Benefit Obligation (DBO) are representing reconciliation of opening and closing balances thereof and fair value of Trust Fund Receivable recognized in the Balance Sheet is as under:

Sr. No	Particulars	Gratuity (Funded) March 31, 2018	Gratuity (Funded) March 31, 2017	Compensated Absence (Non Funded) March 31, 2018	Compensated Absence (Non Funded) March 31, 2017
I	**Expense recognised in the statement of Profit and Loss**				
(a)	Current Service Cost	**107**	118	**145**	128
(b)	Interest Cost	**88**	76	**13**	13
(c)	Past Service Cost- (vested benefits)	**5**	-	**-**	-
(d)	Actual return on plan assets	**-**	-	**-**	-
(e)	Actuarial Loss/(Gain)	**-**	-	**-**	-
(f)	Total Expense recognized in the Statement of Profit and Loss	**200**	194	**158**	141

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

Sr. No	Particulars	Gratuity (Funded) March 31, 2018	Gratuity (Funded) March 31, 2017	Compensated Absence (Non Funded) March 31, 2018	Compensated Absence (Non Funded) March 31, 2017
II	**Net Liability recognized in the Balance Sheet**				
(a)	Present Value Defined Benefit Obligation	**1,314**	1,279	**189**	192
(b)	Fair Value of Plan Assets	**18**	72	**-**	-
(c)	Net Assets/(Liabilities)	**(1,294)**	(1,207)	**(189)**	(192)
III	**Change in Defined Benefit Obligation (DBO)**				
(a)	Present Value of Defined Benefit Obligation at the beginning of the period	**1,279**	1,636	**189**	192
(b)	Current Service Cost	**107**	118	**145**	128
(c)	Interest Cost	**91**	105	**13**	13
(d)	Past Service Cost- (vested benefits)	**5**	-	**-**	-
(e)	Actuarial Loss/(Gain)#	**(50)**	49	**(123)**	(87)
(f)	Benefits Paid	**(71)**	(630)	**(18)**	(58)
(g)	Benefits Paid by the company	**(48)**	-	**-**	-
(h)	Present Value of Defined Benefit Obligation at the year end	**1,313**	1,278	**206**	189
	# Composition of Actuarial Gain / Losses				
	Actuarial (gain)/loss – experience	**(20)**	(4)	**(117)**	(90)
	Actuarial (gain)/loss – demographic assumptions	**-**	-	**-**	-
	Actuarial (gain)/loss – financial assumptions	**(30)**	53	**(6)**	3
	Total Actuarial (Gain) / Loss	**(50)**	49	**(123)**	(87)
IV	**Change in the Fair Value of Plan Assets**				
(a)	Plan Assets at the beginning of the year	**72**	677	**-**	-
	Adjustments	**(8)**	(10)	**-**	-
(b)	Actual Return on Plan Assets	**(2)**	(2)	**-**	-
	Interest Income	**3**	29	**-**	-
(c)	Actual Company Contributions	**24**	8	**18**	58
(d)	Benefits paid	**(71)**	(630)	**(18)**	(58)
(e)	Fair Value of Plan Assets	**18**	72	**-**	-
V	**Actuarial Assumptions**				
(a)	Discount Rate (per annum)	**7.68%**	7.33%	**7.68%**	7.33%
(b)	Expected Rate of Return on Assets (per annum)	**-**	-	**-**	-
(c)	Rate of Increase in Compensation Levels (per annum)	**3.50%**	3.50%	**3.50%**	3.50%
(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

Disclosure related to indication of effect of the defined benefit plan on the entity's future cash flows:

Expected benefit payments for the year ending:

Year ending	Gratuity	Compensated Absence
Within 1 year	201	13
Between 1 - 2 years	195	17
Between 2 - 3 years	173	13
Between 3 - 4 years	130	12
Between 4 - 5 years	115	13
Beyond 5 years	300	49

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

Weighted Average duration of defined benefit obligation:

Sensitivity analysis:

A quantitative sensitivity analysis for significant assumption as at March 31, 2018 is as shown below:

Gratuity

	1% Increase		1% Decrease	
	March 31, 2018	March 31, 2017	**March 31, 2018**	March 31, 2017
A. Effect of 1% change in the assumed discount rate				
Effect on DBO	**1,236**	-	**1,405**	-

	1% Increase		1% Decrease	
	March 31, 2018	March 31, 2017	**March 31, 2018**	March 31, 2017
B. Effect of 1% change in the assumed Salary Escalation Rate				
Effect on DBO	**1,406**	-	**1,234**	-

Compensated Absence

	1% Increase		1% Decrease	
	March 31, 2018	March 31, 2017	**March 31, 2018**	March 31, 2017
A. Effect of 1% change in the assumed discount rate				
Effect on DBO	**190**	-	**225**	-

	1% Increase		1% Decrease	
	March 31, 2018	March 31, 2017	**March 31, 2018**	March 31, 2017
B. Effect of 1% change in the assumed Salary Escalation Rate				
Effect on DBO	**225**	-	190	-

The sensitivity results above determine their individual impact on Plan's end of year Defined Benefit Obligation. In reality, the plan is subject to multiple external experience items which may move the defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time.

49. SEGMENT REPORTING

I. PRIMARY SEGMENTS

₹ in Lakhs

Particulars	Heavy Engineering		Foundry and Machine Shop		Others		Total	
	2017-18	2016-17	**2017-18**	2016-17	**2017-18**	2016-17	**2017-18**	2016-17
Revenue								
Net Revenue	**33,856**	33,812	**4,388**	4,786	**1,658**	1,238	**39,902**	39,836
Less: Inter-segment Revenue	**-**	-	**61**	30	**-**	15	**61**	45
Results	**33,856**	33,812	**4,327**	4,756	**1,658**	1,223	**39,841**	39,791
Segment Result	**5,758**	2,363	**-638**	-313	**155**	141	**5,275**	2,191
Unallocable Expenses net of Unallocable Income							**246**	660
Operating Profit							**5,029**	1,531
Finance Cost							**7,611**	6,950
Profit Before Tax							**-2,582**	-5,419
Taxes on Income							**-**	2,533
Profit from ordinary activities							**-2,582**	-7,952

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

Particulars	Heavy Engineering		Foundry and Machine Shop		Others		Total	
	2017-18	2016-17	**2017-18**	2016-17	**2017-18**	2016-17	**2017-18**	2016-17
Other information								
Segment Assets	**99,834**	106,440	**5,573**	5,722	**4,782**	4,383	**110,189**	116,545
(including revaluation)								
Unallocated Corporate Assets							**5,275**	4,362
Total Assets							**115,464**	120,907
Segment Liabilities	**78,573**	76,350	**2,722**	3,029	**222**	188	**81,517**	79,567
Unallocated Corporate Liabilities							**43**	4,896
Total Liabilities							**81,560**	84,463
Capital Expenditure	**685**	336	**-**	5	**11**	1	**696**	342
Unallocated Capital Expenditure							**-**	-
							696	342
Depreciation	**2,995**	3,266	**307**	254	**44**	47	**3,346**	3,567
(Net of Revaluation)								
Unallocated Depreciation							**-**	-
Total Depreciation							**3,346**	3,567
Non Cash Expenses (other than depreciation)								
Allocated Non Cash Expenses							**-**	-
Unallocated Non Cash Expenses							**-**	-
Total Non Cash Expenses							**-**	-

II. SECONDARY SEGMENTS

₹ in Lakhs

Particulars	Heavy Engineering		Foundry and Machine Shop		Others		Total	
	2017-18	2016-17	**2017-18**	2016-17	**2017-18**	2016-17	**2017-18**	2016-17
External Revenue by Location of Customers							**1,768**	3,943
Total Carrying Amount of Segment Assets							**7,725**	8,362
(to the extent allocable)								
Capital expenditure							**16**	37

50. CONTINGENT LIABILITIES AND COMMITMENTS

(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 April 1, 2008 to March 31, 2017) was raised by the local authorities (Previous year ₹ 89.32 lakhs). No provision has been made in the books of accounts. The Company has not accepted the liability and the same is sub-judice.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

(c) 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 disputed the demand and has preferred an appeal before The Sales Tax Appellate Commissioner. Company has paid ₹ 30.00 lakhs under protests (included under the head loans and advances). There is another demand received post March 31, 2018 of ₹1,080.53 lakhs, for which the company will be filing an appeal. On the basis of legal opinion the Company does not expect any liability.

(d) The Customs Authorities, Chennai have raised demand of ₹ 64.50 lakhs (Previous Year ₹ 64.50 lakhs). Company has disputed the demand and has preferred an appeal before Madras High Court. On the basis of legal opinion the Company does not expect any liability.

(e) The Service Tax Authorities, Shillong have raised demand of ₹ 362.65 lakhs on sale of bought out items. 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.

(f) The Central Excise Authorities have raised a demand of ₹ 377.84 lakhs (Previous Year ₹ 377.84 lakhs) denying the exemption from the excise duty on non-conventional energy devices/ systems supplied by the Company. The company has paid ₹ 111.64 lakhs under protest and has preferred an appeal which is pending before CESTAT, Mumbai and before Supreme Court. On the basis of legal opinion, the Company does not accept any liability.

(g) The Central Excise Authorities have raised various demands pertaining to various years of ₹ 188.95 lakhs (Previous Year ₹188.95 lakhs) on bought out items supplied for Centrifugals, which has already suffered duty at manufacturers' end. The Company has disputed the demands and has preferred appeals which ares pending before the CESTAT Tribunal / Supreme court. Company has discharged a liability of ₹ 29.53 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.

(h) 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.

(i) The 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 filed a writ petition with Mumbai High Court. No provision is being made against the same based on the legal advice.

(j) Certain cases filed against the company by the Ex-employees of Heavy Engineering Division and Foundry Division for compensation are pending before the labour courts - Amounts unascertained.

(b) Guarantees

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017
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)	**29,140**	27,270

(c) Commitments

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017
Estimated amount of Contracts remaining to be executed on Capital Accounts not provided for (Net of advance)	**612**	293

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.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018 (Contd.)

51. DISCLOSURE AS PER AMENDMENT TO CLAUSE 32 OF THE LISTING AGREEMENT

₹ in Lakhs

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
1.	Loans and Advances in the nature of Loans to Subsidiaries	-	-	-	-
2.	Loans and Advances in the nature of Loans to associates	-	-	-	-
3.	Loans and advances in the nature of loans to firms/companies in which directors are interested	-	-	-	-

52. THE DETAILS OF AMOUNTS OUTSTANDING TO MICRO, SMALL AND MEDIUM ENTERPRISES BASED ON AVAILABLE INFORMATION WITH THE COMPANY IS AS UNDER:

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Principal Amount due and remaining unpaid	752	924	520
Interest due and the unpaid interest	51	66	54
Interest paid	-	-	-
Payment made beyond the appointed date during the year	-	-	-
Interest due and payable for the period of delay	-	-	-
Interest accrued and remaining unpaid	51	66	54
Amount of further interest remaining due and payable in succeeding years	51	66	54

53. Balance under the head 'Trade Receivables', 'Trade Payables', 'Loan and Advances Receivable and Payable' are shown as per books of accounts subject to confirmation by concerned parties and adjustment if any, on reconciliation thereof.

54. Inventory of Work in Progress includes ₹ 2585 lakhs of non-moving inventory relating to orders which have been cancelled or kept on hold. The Company contends that this stock will either be liquidated or diverted to other projects without any loss arising therefrom. Hence no provisions has been made in the books of accounts.

55. Previous year's figures have been regrouped/ reclassified / rearranged wherever necessary, to conform to current year's presentation.

As per our report attached

For Jayesh Sanghrajka & Co. LLP
Chartered Accountants
FRN.: 104184W/W100075

Ashish Sheth
Designated Partner
Membership No.: 107162

Date: May 28, 2018
Place: Mumbai

G. K. Pillai
Managing Director & CEO
DIN : 01537184

Chirag C. Doshi
Managing Director
DIN : 00181291

Date: May 28, 2018
Place: Mumbai

For Walchandnagar Industries Limited

Chakor L. Doshi
Chairman
DIN : 00210949

Dilip J. Thakkar
Director
DIN : 00007339

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

Vivek Jain
Chief Financial Officer

WALCHANDNAGAR

1908-2008

Important Statistical Data from 1908-09 to 2017-2018

₹ 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%
1952-1953	101.00	3.50	68.09	45.00	185.81	89.24	190.50	23.03	14.38	14%

₹ 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				
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%
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%

₹ 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				
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	–	105998.44	52548.56	39791.05	-6425.63	–	–
2017-2018	761.00	-	33143.00	5700	43129.00	36385.00	39841.00	-2540.00	-	-

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.
13. Figures upto F.Y. 2016-17 as per Indian GAAP.
14. Figures for F.Y. 2017-18 as per Indian AS.

Dr. Tessy Thomas, Outstanding Scientist and Director Advanced Systems Lab, DRDO (Hyderabad) inaugurating new aerospace facility at Walchandnagar

Shri V Udaya Bhaskar, Chairman & MD, Bharat Dynamics Ltd flagged off 600th Set of Integrated Sections for Akash Missiles from Walchandnagar

Shri V. V. Parlikar, Outstanding Scientist and Director Research & Development Establishment (Engineers), DRDO Pune visited WNR

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. :** 022-23612195/96/97 **Fax :** 022-23634527
Email : investors@walchand.com **Website :** www.walchand.com

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]

BALLOT PAPER

Sr. 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 Business 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 period / financial year ended on March 31, 2018 together with the Reports of Board of Directors and Auditors thereon.			
2.	To appoint a Director in place of Mr. Chirag C. Doshi (DIN: 00181291) Director, who retires by rotation at 109th Annual General Meeting and, being eligible, offers himself for re-appointment.			
Special Business:				
3.	To renew the consultancy contract with Mr. Chakor L. Doshi to provide professional services as Advisor / Consultant to the Company.			
4.	To consider and determine the fees for delivery of any document through a particular mode of delivery to a member of the Company.			
5.	Ratification of Remuneration of M/s. S. R. Bhargave & Co., Cost Accountants, Pune as Cost Auditors of the Company for the Financial Year ending March 2019.			

Place :

Date :

(Signature of the Member / Beneficial Owner #)

(# as per Company Records)

WALCHANDNAGAR INDUSTRIES LTD.
CIN : L74999MH1908PLC000291
Regd. Office : 3, Walchand Terraces, Tardeo Road, Mumbai - 400 034. **Tel. :** 022-23612195/96/97 **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 **109th Annual General Meeting** of the Company held on Tuesday, the 14th day of August, 2018 at 03.30 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.
180704019		

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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. : 022-23612195/96/97 **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 **109th Annual General Meeting** of the Company to be held on Tuesday, the 14th day of August, 2018 at 03.30 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 of the Company as at March 31, 2018 together with the Reports of Board of Directors and Auditors thereon			
2. To appoint a Director in place of Mr. Chirag C. Doshi (DIN: 00181291) Director, who retires by rotation at 109th Annual General Meeting and, being eligible, offers himself for re-appointment.			
Special Business:			
3. To renew the consultancy contract with Mr. Chakor L. Doshi to provide professional services as Advisor / Consultant to the Company.			
4. To consider and determine the fees for delivery of any document through a particular mode of delivery to a member of the Company.			
5. Ratification of Remuneration of M/s. S.R. Bhargava & Co., Cost Accountant, Pune, for the Financial Year 2018-19.			

Signed this _____ day of _____ 2018

Signature of Shareholder(s) _____ Signature of Proxy holder(s)_____

Affix Revenue Stamp

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