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

Ref. No. : WIL:SEC:2016
Date : September 1, 2016

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 107th Annual Report for the period from October 01, 2014 to March 31, 2016.

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 107th Annual General Meeting of the Company held on August 12, 2016 as per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Please take the same on your record.

Yours faithfully,

For **Walchandnagar Industries Ltd.**

WALCHANDNAGAR INDUSTRIES LTD. MUMBAI

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

Encl.: As above

107th ANNUAL REPORT
OCT. 2014 - MAR. 2016

1908-2008

WALCHANDNAGAR

A Tradition of Engineering Excellence

WALCHANDNAGAR INDUSTRIES LIMITED

SETH WALCHAND HIRACHAND

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

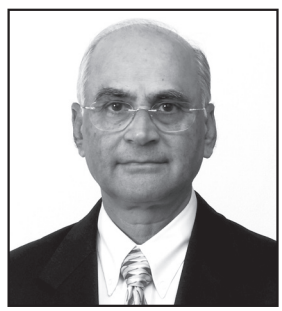
Sardar Vallabhbhai Patel

Board of Directors

Chakor L. Doshi
Chairman

Dilip J. Thakkar
Director

Dr. Anil Kakodkar
Director



G. N. Bajpai
Director

A. R. Gandhi
Director

Bhavna Doshi
Director

G. K. Pillai
Managing Director & CEO

Chirag C. Doshi
Managing Director

Corporate Information

Registered Office

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

Pune Office

Walchand House,
15/1/B-2 G.A. Kulkarni Path
Opp. Karishma Society Gate No. 2,
Kothrud,
Pune – 411 038, Maharashtra, India.
Phone: +91 (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

Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W),
Mumbai - 400 078.
Tel. No. (022) 2594 6970-80
Fax No. (022) 2594 6969
E-mail: rnt.helpdesk@linkintime.co.in

Auditors

K.S. Aiyar & Co.
Chartered Accountants

Principal Bankers

State Bank of India
Bank of India

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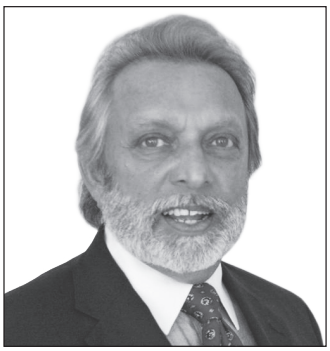
Letter from the Chairman



Dear Members,

It is my pleasure to welcome you all to the 107th Annual General Meeting and present the Annual Report of your company. The year under consideration covers a period of 18 months (Oct 14 – Mar 16) in order to comply with the provisions of the Companies Act, 2013.

While there has definitely been an improvement in the overall business sentiment in the domestic economy, there is bound to be a time lag for the same to translate into tangible investments and progress of stalled projects especially in the core sectors. However there are significant opportunities in strategic sectors like Defence, Nuclear and Aerospace (DNA).

Your Company has ended the Financial Year 14-16 with revenue of ₹ 807.37 Crore and a Net Loss of ₹ 71.68 Crore. Notwithstanding the net loss, the much improved performance of our DNA business especially over the last 3 quarters of Financial Year 14-16 gives us confidence about the Company's potential in such niche business areas. The encouraging sign is that the current order book position has almost 50% orders for DNA/Manufacturing business which would steadily go up in the current Financial Year. Hence your company looks at sectors like Defence, Nuclear and Aerospace (DNA) as high potential areas for the future growth and a clearly defined growth strategy for the same has already been put in place. With clarity emerging in the area of Nuclear Power Program in India, your company is also fully geared up to leverage all possible opportunities that would open up.

Another focus area would be to significantly ramp up the product business i.e. Gear Boxes and Centrifugal Machines. With a stronger marketing push and also by leveraging opportunities in the exports markets, your company is confident of profitable growth in this segment also.

We are sure that conducive business environment coupled with emphasis on DNA business and organizational alignment would enable your Company to deliver much improved results in the years going ahead.

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

Thank You,

Chakor L. Doshi
Chairman

WALCHANDNAGAR

1908-2008

NOTICE

Notice is hereby given that the 107th Annual General Meeting of the members of Walchandnagar Industries Limited will be held as scheduled below:

Day : Friday

Date : August 12, 2016

Time : 4.00 pm

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

The Agenda for the meeting will be as under:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements for the period / financial year ended on March 31, 2016 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 107th Annual General Meeting and, being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Company's (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) M/s. K. S. Aiyar & Co., Chartered Accountants, Mumbai (Registration No. FRN 100186W), who have offered themselves for re-appointment and have confirmed their eligibility to be appointed as Statutory Auditors, in terms of the provisions of Section 141 of the Act and the Rules, be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of the next Annual General Meeting on a remuneration to be fixed by the Board of Directors of the Company."

Special Business:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as **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), 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 2017, be paid remuneration of ₹ 3,00,000/- (Rupees Three Lakhs) plus service tax as applicable and reimbursement of actual travel and out-of-pocket expenses.

   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 24, 2016

CIN: L74999MH1908PLC000291
Tel: 022 - 40287109, Fax : 022 - 23634527
E-mail: investors@walchand.com
Website: www.walchand.com

Notes:

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

b) **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 on his/her behalf 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.

c) Corporate members intending to send their authorized representatives to attend the Annual General 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 representative authorised under the said resolution to attend and vote on their behalf at the Meeting.

d) Members / Proxy Holders / Authorised Representative 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.

e) 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.

f) 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.

g) Members who have not encashed their dividend warrants for the financial years ended September 30, 2008 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 205A of the Companies Act, 1956. 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.

h) 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 February 13, 2015 (date of last Annual General Meeting) on the website of the Company (www.walchand.com).

i) In terms of the Clause 5A of the Listing Agreement, the Company has complied with the requirement by dematerialising the unclaimed shares to the Unclaimed Suspense Account.

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 dematerialised 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 2016 containing Notice of 107th 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 2016 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 dematerialised 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 Relations'), 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 Company 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 107th AGM and the Annual Report for 2016 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 on any working day (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 107th Annual General Meeting and being eligible offer himself for re-appointment.

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

r) 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 107th 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').

Initial password is provided at the bottom of the Attendance Slip for the AGM.

I **The instructions for shareholders voting electronically are as under:**

(i) The voting period begins on August 09, 2016 at 9:00 am and ends on August 11, 2016 at 5:00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date (record date) of August 05, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

(iii) Click on Shareholders.

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

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

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

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

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

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

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

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

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

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

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

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

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

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

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

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

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

(xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows**

phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June, 2016. 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-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai – 400 078, on or before August 11, 2016 (05:00 pm).

V Members can choose only one of the two options, namely e-voting or voting through physically assent / dissent form. In case the votes are casted through both the formats, then votes casted through e-voting shall stand cancelled and those votes casted through physically assent / dissent form would be considered, subject to the assent / dissent form being found to be valid.

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 12, 2016.

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

Item No. 4

The Board of the Directors of the Company, on the recommendation of the Audit Committee, has approved the appointment of M/s. S. R. Bhargave & 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 2017, at a remuneration of ₹ 3,00,000/- (Rupees Three Lakhs) plus service tax as applicable and reimbursement of actual travel and out of pocket expenses.

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

The Resolution as at Item no. 4 of the Notice is therefore set out as an Ordinary Resolution for approval and ratification by the Members.

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 recommends the Ordinary Resolution set out at Item No. 4 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 24, 2016

CIN: L74999MH1908PLC000291
Tel.: 022-40287109, Fax : 022- 23634527
E-mail: investors@walchand.com
Website: www.walchand.com

Annexure 'A' to the Notice

Information about the Appointee as per Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

(1) Brief Resume:

Name of Director : Mr. Chirag C. Doshi

Age : 42 Years

Qualification : B. A. (Economics) from University of Michigan, USA; and MBA from the world-renowned 'INSEAD INSTITUTE' Paris.

(2) Expertise & Experience in specific functional areas:

Mr. Chirag C. Doshi has extensively worked on following and risen to the position of President and then 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.

(3) Disclosure of relationships between Directors inter-se:

Mr. Chirag C. Doshi, Managing Director is son of Mr. Chakor L. Doshi, Chairman. He is not related to any other Director of the Company.

(4) Name(s) of listed entities in which the person holds the directorship and the membership of Committees of the Board:

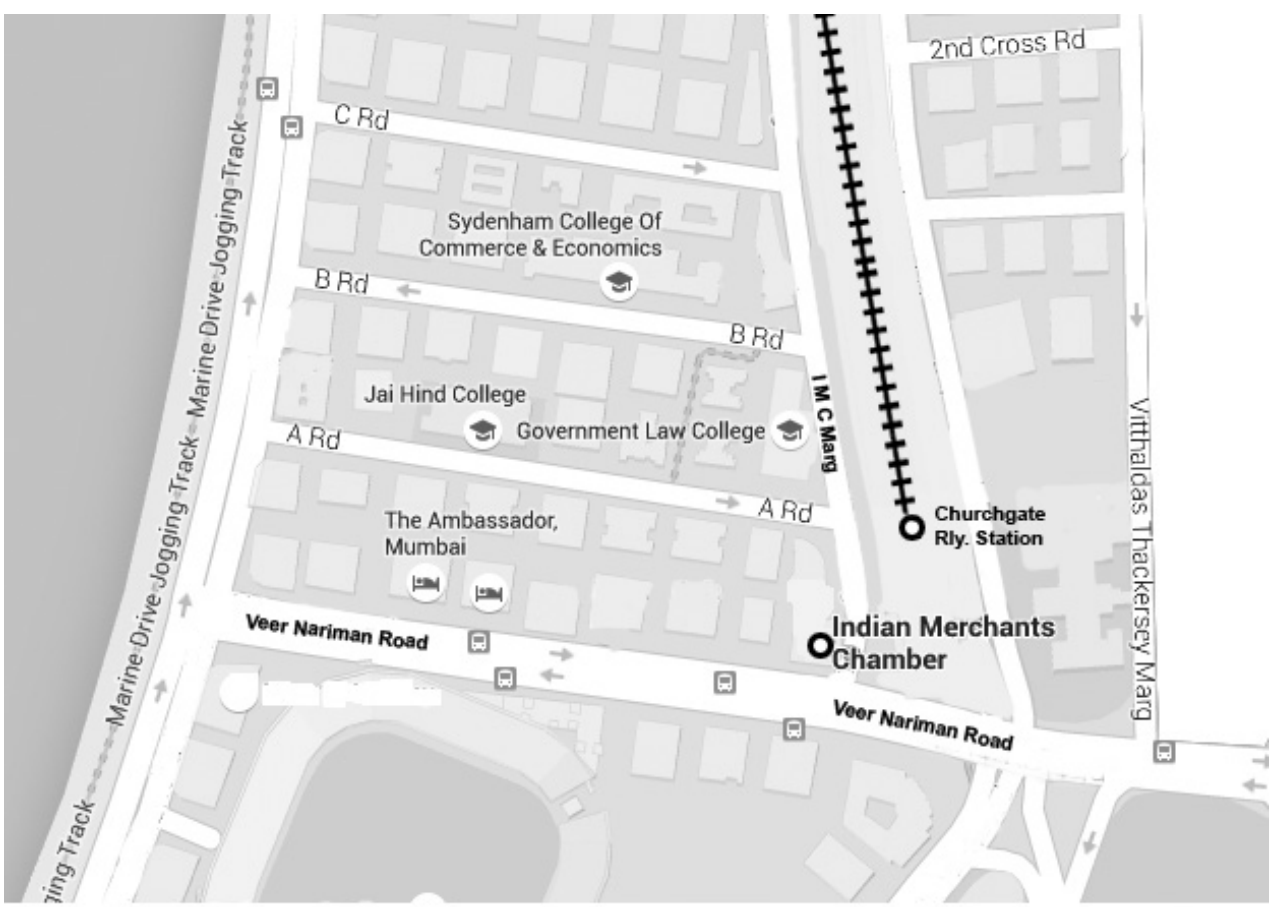
Mr. Chirag C. Doshi is Chairman and Managing Director of M/s. Bombay Cycle and Motor Agency Limited (BCMA). He is also Member of the Audit Committee of BCMA.

(5) Shareholding of Non-Executive Director

N.A.

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 107th Annual Report on the business and operations of your Company together with Audited Accounts for the 18 months period ended on March 31, 2016.

1. Financial Results

The Company's financial performance, for the period ended March 31, 2016 is summarized below:

	Period ended 31.03.2016 ₹ in Lakhs (18 months)	Year ended 30.09.2014 ₹ in Lakhs (12 months)
Income	**80,737**	64,608
Profit/(Loss) before Depreciation, Interest, Exceptional Item and Exchange currency fluctuations	**6,730**	2,438
Less: Interest	**8,978**	4,799
Depreciation	**3,384**	1,725
Exceptional Item	**1,011**	(2,445)
Profit before Exchange Currency fluctuations	**(6,643)**	(1,641)
Less: Exchange Currency Fluctuation Loss /(Gain)	**214**	218
Profit/(Loss) before Tax	**(6,857)**	(1,859)
Less: Tax (Net)	**311**	(622)
Profit/(Loss) after Tax	**(7,168)**	(1,237)

2. Financial Performance & Highlights:

During the year under review, the revenue for the year 2014-16 (Eighteen Months) was ₹ 80,737 lakhs as against the previous year of ₹ 64,608 lakhs (Twelve Months).

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, 2016 were at ₹ 999 crores as compared to ₹ 1376 crores as on September 30, 2014.

4. Exports and Overseas Projects:

During the year / period under review, the Company achieved an export turnover of ₹ 144 Crores as against ₹ 87 Crores, in the previous year. The export orders on hand as on March 31, 2016 are at ₹ 372 Crores. During the period, the Company executed orders for Sugar & Boiler projects in Ethiopia & Cement machinery in Africa.

5. Dividend and Reserves:

During the period under review your Company has suffered a (loss) after tax of ₹ (7168.45) lakhs. Hence, no dividend is recommended for the period ending March 31, 2016 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:

Your Company has neither any Subsidiary nor Joint Venture. M/s. Walchand Foundries Private Limited is an associate company.

During the period under review, none of the Companies have become or ceased to be Company's Subsidiaries, Joint Ventures or Associate Companies.

7. Extract of Annual Return:

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

8. Management Discussion & Analysis:

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

9. Finance & Accounts:

(i) Fixed Deposits:

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

(ii) Income Tax Assessments:

Income tax assessment up to the Assessment Year 2013-14 has been completed. However, Company have filed application under Section 154 of the Act for rectification of the mistakes in order giving effect orders for the Assessment Year 2008-09 to 2013-14 and the same are pending for disposal.

10. Human Resources Development:

Considering the actual order books and margins vis a vis the risk involved in the EPC businesses, the business focus in the current year was shifted away from the EPC segment. Keeping the overall requirements in view, the company has taken up rationalization of manpower in the EPC segment.

Your Company has been successful in containing the rise in the manpower cost through merger of roles and responsibilities while addressing the actual business size.

The process of getting fresh talent pool and training then for the diversified business areas remained an hallmark in the development of leadership pipeline.

Contemporary Human Resource practices and policies like Flexitime operation and 5 days working for Pune office are adopted with a view to make Walchandnagar Industries Limited a preferred employer in the heavy engineering industry and to improve employee's work life balance.

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, 2016 and of the loss for the Year / period 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 period ended on March 31, 2016.

12. Corporate Governance:

Your Company believes that Corporate Governance is the basis of stakeholder satisfaction. The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance Requirements as set out by SEBI. Your Company has obtained a certification from K. S. Aiyar & Company, Chartered Accountants, Statutory Auditors, on compliance with Clause 49 of the Listing Agreement / Regulation 34 read with Schedule V of the listing Regulation. The Report of Corporate Governance along with Certificate from the auditors of the Company regarding compliance of conditions of corporate governance is enclosed by way of **Annexure -'C'** to this Report.

13. Corporate Social Responsibility:

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

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

Health:

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

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 4281 children of which, 17.75 % are children of employees of the company and 82.25 % 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 towards growth initiative 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.

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 107th 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 Resignation:

During the Period under review, Mr. Hiren Buch, Chief Financial Officer of the Company resigned with effect from March 06, 2016.

The Board wishes to place on record its appreciation for the valuable contribution made by Mr. Hiren Buch as the Chief Financial Officer of the Company.

17. Number of Meetings of the Board:

The Board met nine (9) times during the Period from October 01, 2014 to March 31, 2016 viz. on November 29, 2014; February 13, 2015; March 22, 2015; April 30, 2015; August 14, 2015; September 14, 2015; November 09, 2015; February 09, 2016 and March 15, 2016.

18. Committees of the Board:

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

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

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

N. Bajpai (Chairman of Committee) and Mr. Dilip J. Thakkar (Member) and Chairman, Mr. Chakor L. Doshi (Member).

19. Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a structured questionnaire was prepared. The Performance Evaluation of the Independent Directors was completed. Independent Directors Meeting considered the Performance of Non-Independent Directors and the 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 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:

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of Companies Act, 2013 and Rule 5 (1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been appended as **Annexure - 'E'** to this Report.

The information as required under Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be provided upon request by any member of the Company. In terms of Section 136 (1) of the Companies Act, 2013, the Report and the Accounts are being sent to the members excluding the said Annexure. Any member interested in obtaining copy of the same may write to the Company Secretary at the Registered Office of the Company.

22. Contracts And Arrangements With Related Parties:

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

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

23. Nomination & Remuneration Policy:

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

During the period under review, your Directors have constituted a Risk Management Committee in the Board Meeting held on November 29, 2014 which was re-constituted in the Board Meeting held on April 30, 2015 and have approved Risk Management policy in the Board Meeting held on August 14, 2015 wherein all material Risks faced by the Company are identified and assessed. For each of the risks identified, corresponding controls are assessed and policies and procedures are 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, 2016, total dematerialised equity shares are 36,917,519 representing 96.97%.

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. K. S. Aiyar & Co., Chartered Accountants, Mumbai, the Statutory Auditors, of the Company will retire at the ensuing Annual General Meeting and they being eligible have offered themselves for re-appointment. The Company has received letter from them to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for re-appointment. The members are requested to appoint the Auditors and authorise the Board to fix their remuneration.

Auditors Report:

The notes forming part of the accounts referred in the Auditors' Report are self explanatory and give complete

information. There are no qualifications, reservation or adverse remarks made by statutory auditors in the Audit Report except matter referred in "Matter of Emphasis" para in Audit Report.

Cost Auditors And Cost Audit Report:

M/s. S. R. Bhargave & Co., Cost Accountants have been duly appointed as Cost Auditors for conducting Cost Audit in respect of products manufactured by the Company which are covered under the Cost Audit Rules for current financial year ending March 2017. They were also the cost auditors for the previous period ended March 2016. 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 2017.

The Cost Audit Reports for the financial year ended March 2016, will be filed within the stipulated time i.e. on or before September 30, 2016.

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 period October 01, 2014 to March 31, 2016. The Secretarial Audit Report for the period ended March 31, 2016 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 2016-17 also.

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

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

32. General:

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

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

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

33. Acknowledgement:

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

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

For & on behalf of the Board of Directors

Chakor L. Doshi
Chairman

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

Date : *May 24, 2016*

ANNEXURE 'A' TO DIRECTORS REPORT

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as at the Financial Year ended on 31.03.2016

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

I REGISTRATION & OTHER DETAILS:

i	CIN	L74999MH1908PLC000291
ii	Registration Date	25/11/1908
iii	Name of the Company	Walchandnagar Industries Limited
iv	Category/Sub-category of the Company	Company limited by Shares / Non-government company
v	Address of the Registered office & contact details	3, Walchand Terraces, Opposite Air Conditioned Market, Tardeo Road, Mumbai - 400034. Tel.: 022-40287109. Fax: 022-23634527. email: investors@walchand.com; Website: www.walchand.com
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited. C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup West, Mumbai - 400 078. Tel.: 022-25946970. Fax: 022-25946969; 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	Sugar Mill Machinery	-	19.43 %
2	Water Tube Boiler	-	10.43 %
3	Erection, Jobwork, Services	-	21.47 %
4	Special Products	-	21.04 %

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Walchand Foundries Private Limited Address: H No. 1327, Koregaon, Satara Road, Satara-415010	U28910MH1995PTC089220	Associate	48.10	2(6)

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	80280	0	80280	0.2108	31030	0	31030	0.0815	-0.1294

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
b) Central Govt. or State Govt.	0	0	0	0	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	0	0	0	0.0000	0.0000
e) Any other (Trust)	386410	0	386410	1.0149	386410	0	386410	1.0150	0.0000
SUB TOTAL:(A) (1)	**15938613**	**0**	**15938613**	**41.8663**	**15889363**	**0**	**15889363**	**41.7370**	**-0.1294**
(2) Foreign									
a) NRI- Individuals	0	0	0	0	49250	0	49250	0.1294	0.1294
b) Other Individuals	0	0	0	0	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	0	0	0	0.0000	0.0000
e) Any other	0	0	0	0	0	0	0	0.0000	0.0000
SUB TOTAL (A) (2)	**5000000**	**0**	**5000000**	**13.1336**	**5049250**	**0**	**5049250**	**13.2630**	**0.1294**
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	538265	1000	539265	1.4165	422620	500	423120	1.1114	-0.3169
b) Banks/FI	195748	23150	218898	0.5749	103188	23075	126263	0.3317	-0.2433
c) Central Govt.	0	0	0	0	0	0	0	0.0000	0.0000
d) State Govt.	0	12000	12000	0.0315	0	12000	12000	0.0315	0.0000
e) Venture Capital Fund	0	0	0	0	0	0	0	0.0000	0.0000
f) Insurance Companies	1379988	0	1379988	3.6248	1379988	0	1379988	3.6249	0.0000
g) FIIS	125000	0	125000	0.3283	0	0	0	0.0000	-0.3283
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0.0000	0.0000
i) Others (specify)									
Foreign Portfolio Investor	0	0	0	0	6150	0	6150	0.0162	0.0162
UTI	0	4500	4500	0.0118	0	4500	4500	0.0118	0
SUB TOTAL (B)(1):	**2239001**	**40650**	**2279651**	**5.9880**	**1911946**	**40075**	**1952021**	**5.1274**	**-0.8488**

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
(2) Non Institutions									
a) Bodies corporates									
i) Indian	1663700	17600	1681300	4.4163	1486622	16545	1503167	3.9484	-0.4679
ii) Overseas	0	5870	5870	0.0154	0	3020	3020	0.0079	-0.0075
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakhs	11313053	1037926	12350979	32.4426	11813463	931876	12745339	33.4785	0.9737
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakhs	258663	52500	311163	0.8173	250000	119900	369900	0.9716	0.1543
c) Others (specify)									
Clearing Member	277441	0	277441	0.7287	318282	0	318282	0.8360	0.1073
Directors/Relatives	0	0	0	0	0	0	0	0.0000	0.0000
Foreign Nationals	0	6630	6630	0.0174	0	3330	3330	0.0087	-0.0087
Non Resident Indians (Repat)	143159	17150	160309	0.4210	151392	14150	165542	0.4348	0.0137
Non Resident Indians (Non Repat)	30414	0	30414	0.0798	42921	0	42921	0.1127	0.0329
Trusts	3775	400	4175	0.0109	4280	400	4680	0.0123	0.0013
Office Bearers	0	23660	23660	0.0621	0	23390	23390	0.0614	0.00075
SUB TOTAL (B)(2):	**13690205**	**1161736**	**14851941**	**39.0119**	**14066960**	**1112611**	**15179571**	**39.8726**	**0.8606**
Total Public Shareholding (B)= (B)(1)+(B)(2)	**15929206**	**1202386**	**17131592**	**44.9999**	**15978906**	**1152686**	**17131592**	**45.0000**	**0.0000**
C. Shares held by Custodian for GDRs & ADRs	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0.0000**	**0.0000**
Grand Total (A+B+C)	**36867819**	**1202386**	**38070205**	**100**	**36917519**	**1152686**	**38070205**	**100.0000**	**0.0000**

(ii) SHAREHOLDING OF PROMOTERS

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Chirag C. Doshi	14000	0.0368	0	14000	0.0368	0	0
2	Champa C. Doshi	10350	0.0272	0	10350	0.0272	0	0
3	Chakor L. Doshi	49250	0.1294	0	49250	0.1294	0	0
4	Chakor L. Doshi HUF	6680	0.0175	0	6680	0.0175	0	0
5	Smt Lalitabai Lalchand Charity Trust	379210	0.9961	0	379210	0.9961	0	0
6	Walchand Charitable Trust	7200	0.0189	0	7200	0.0189	0	0
7	Walchand Kamdhenu Commercials Pvt. Ltd.	9869673	25.9249	0	9869673	25.9249	10.506904	0
8	Walchand Great Achievers Private Limited	5260160	13.8170	0	5260160	13.8170	1.87810	0
9	Walchand Chiranika Trading Pvt Ltd	342090	0.8986	0	342090	0.8986	0	0
10	Rodin Holdings Inc	3000000	7.8802	0	3000000	7.8802	0	0
11	Olsson Holdings Inc	2000000	5.2535	0	2000000	5.2535	0	0
	Total	20938613	55.0000	0	20938613	55.0000	12.385013	0

(iii) CHANGE IN PROMOTERS' SHAREHOLDING

There is no change in Promoter's Shareholding. Mr. Chakor L. Doshi's Shareholding is now classified under Non Resident Indian in place of Resident.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sr. No.		Shareholding at the beginning of the year - 2014		Transactions during the year		Cumulative Shareholding at the end of the year - 2016	
	Name & Type of Transaction	NO. OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO. OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	LIFE INSURANCE CORPORATION OF INDIA	1379988	3.6249	-	-	1379988	3.6249
	AT THE END OF THE YEAR					1379988	3.6249
2	RELIANCE CAPITAL TRUSTEE CO. LTD-A/C RELIANCE CAPITAL BUILDER FUND - SR A	538265	1.4139	-	-	538265	1.4139
	Purchase			10 Oct 2014	64270	602535	1.5827
	Transfer			20 Feb 2015	-125000	477535	1.2544
	Transfer			30 Oct 2015	-57600	419935	1.1031
	AT THE END OF THE YEAR					419935	1.1031
3	CHETAN JAYANTILAL SHAH	0	0	-	-	0	0.0000
	Purchase			30 Oct 2014	149834	149834	0.3936
	Purchase			07 Nov 2014	50166	200000	0.5253
	Purchase			14 Nov 2014	30000	230000	0.6041
	Purchase			19 Dec 2014	20000	250000	0.6567
	AT THE END OF THE YEAR					250000	0.6567
4	ADAR POONAWALLA FINVEST PVT LTD	41537		-	-	41537	0.1091
	Purchase			20 Mar 2015	30864	72401	0.1902
	Purchase			10 Apr 2015	35000	107401	0.2821
	AT THE END OF THE YEAR				0	107401	0.2821
5	LILAVATI ASHOK SHAH	0	0.0000	-	-	0	0.0000
	Purchase			08 May 2015	100000	100000	0.2627
	AT THE END OF THE YEAR					100000	0.2627
6	KEWAL KIRAN FINANCE PRIVATE LIMITED	0	0.0000	-	-	0	0.0000
	Purchase			08 May 2015	95000	95000	0.2495
	Purchase			15 May 2015	2000	97000	0.2548
	Purchase			05 Jun 2015	3000	100000	0.2627
	AT THE END OF THE YEAR					100000	0.2627
7	IL AND FS SECURITIES SERVICES LIMITED	49203		-	-	49203	0.1292
	Purchase			10 Oct 2014	2392	51595	0.1355
	Purchase			17 Oct 2014	55792	107387	0.2821
	Purchase			24 Oct 2014	109	107496	0.2824
	Purchase			31 Oct 2014	12071	119567	0.3141
	Transfer			07 Nov 2014	-6920	112647	0.2959

Sr. No.		Shareholding at the beginning of the year - 2014		Transactions during the year		Cumulative Shareholding at the end of the year - 2016	
	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
	Purchase			14 Nov 2014	3025	115672	0.3038
	Transfer			21 Nov 2014	-1916	113756	0.2988
	Transfer			28 Nov 2014	-3925	109831	0.2885
	Transfer			05 Dec 2014	-972	108859	0.2859
	Transfer			12 Dec 2014	-950	107909	0.2834
	Purchase			19 Dec 2014	7208	115117	0.3024
	Purchase			31 Dec 2014	4816	119933	0.3150
	Transfer			02 Jan 2015	-195	119738	0.3145
	Transfer			09 Jan 2015	-53280	66458	0.1746
	Purchase			16 Jan 2015	4043	70501	0.1852
	Purchase			23 Jan 2015	5418	75919	0.1994
	Transfer			30 Jan 2015	-10262	65657	0.1725
	Purchase			06 Feb 2015	1216	66873	0.1757
	Purchase			13 Feb 2015	30446	97319	0.2556
	Transfer			20 Feb 2015	-13884	83435	0.2192
	Purchase			27 Feb 2015	6633	90068	0.2366
	Transfer			06 Mar 2015	-9258	80810	0.2123
	Transfer			13 Mar 2015	-7561	73249	0.1924
	Purchase			20 Mar 2015	12835	86084	0.2261
	Transfer			27 Mar 2015	-24263	61821	0.1624
	Transfer			31 Mar2015	-8923	52898	0.1389
	Transfer			03 Apr 2015	-350	52548	0.1380
	Transfer			10 Apr 2015	-1899	51149	0.1344
	Purchase			17 Apr 2015	5365	56514	0.1484
	Transfer			24 Apr 2015	-872	55642	0.1462
	Purchase			01 May 2015	2538	58180	0.1528
	Transfer			08 May 2015	-266	57914	0.1521
	Purchase			15 May 2015	2900	60814	0.1597
	Transfer			22 May 2015	-25	60789	0.1597
	Transfer			29 May 2015	-1145	59644	0.1567
	Purchase			05 Jun 2015	4485	64129	0.1684
	Transfer			12 Jun 2015	-3203	60926	0.1600
	Transfer			19 Jun 2015	-1359	59567	0.1565
	Purchase			26 Jun 2015	5080	64647	0.1698
	Transfer			30 Jun 2015	-4002	60645	0.1593
	Transfer			03 Jul 2015	-625	60020	0.1577
	Transfer			10 Jul 2015	-2400	57620	0.1514
	Purchase			17 Jul 2015	11530	69150	0.1816

Sr. No.		Shareholding at the beginning of the year - 2014		Transactions during the year		Cumulative Shareholding at the end of the year - 2016	
	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			24 Jul 2015	-144	69006	0.1813
	Purchase			31 Jul 2015	3483	72489	0.1904
	Purchase			07 Aug 2015	3310	75799	0.1991
	Purchase			14 Aug 2015	4829	80628	0.2118
	Transfer			21 Aug 2015	-4090	76538	0.2010
	Purchase			28 Aug 2015	23138	99676	0.2618
	Transfer			04 Sep 2015	-6874	92802	0.2438
	Purchase			11 Sep 2015	18098	110900	0.2913
	Transfer			18 Sep 2015	-11392	99508	0.2614
	Purchase			25 Sep 2015	7370	106878	0.2807
	Transfer			30 Sep 2015	-5087	101791	0.2674
	Transfer			09 Oct 2015	-662	101129	0.2656
	Transfer			16 Oct 2015	-3609	97520	0.2562
	Purchase			23 Oct 2015	-8359	89161	0.2342
	Purchase			30 Oct 2015	1051	90212	0.2370
	Purchase			06 Nov 2015	1795	92007	0.2417
	Purchase			13 Nov 2015	125	92132	0.2420
	Purchase			20 Nov 2015	22	92154	0.2421
	Transfer			27 Nov 2015	-745	91409	0.2401
	Transfer			04 Dec 2015	-6450	84959	0.2232
	Transfer			11 Dec 2015	-365	84594	0.2222
	Transfer			18 Dec 2015	-708	83886	0.2203
	Transfer			25 Dec 2015	-11606	72280	0.1899
	Purchase			31 Dec 2015	31571	103851	0.2728
	Transfer			01 Jan 2016	-200	103651	0.2723
	Transfer			08 Jan 2016	-26900	76751	0.2016
	Purchase			15 Jan 2016	953	77704	0.2041
	Transfer			22 Jan 2016	-200	77504	0.2036
	Purchase			29 Jan 2016	1665	79169	0.2080
	Transfer			05 Feb 2016	-921	78248	0.2055
	Purchase			12 Feb 2016	1234	79482	0.2088
	Purchase			19 Feb 2016	4261	83743	0.2200
	Transfer			26 Feb 2016	-2465	81278	0.2135
	Purchase			04 Mar 2016	2127	83405	0.2191
	Transfer			11 Mar 2016	-3593	79812	0.2096
	Transfer			18 Mar 2016	-940	78872	0.2072
	Transfer			25 Mar 2016	-2194	76678	0.2014
	Transfer			31 Mar 2016	-4097	72581	0.1907
	AT THE END OF THE YEAR					72581	0.1907

Sr. No.		Shareholding at the beginning of the year - 2014		Transactions during the year		Cumulative Shareholding at the end of the year - 2016	
	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
8	SHAREKHAN FINANCIAL SERVICES PVT LTD	14650	0.0385	-	-	14650	0.0385
	Transfer			09 Jan 2015	-150	14500	0.0381
	Purchase			13 Feb 2015	6000	20500	0.0538
	Purchase			27 Feb 2015	2100	22600	0.0594
	Purchase			06 Mar 2016	3106	25706	0.0675
	Purchase			13 Mar 2016	839	26545	0.0697
	Purchase			20 Mar 2016	185	26730	0.0702
	Transfer			27 Mar 2016	-2995	23735	0.0623
	Purchase			10 Apr 2015	6364	30099	0.0791
	Transfer			17 Apr 2015	-299	29800	0.0783
	Transfer			24 Apr 2015	-3184	26616	0.0699
	Purchase			01 May 2015	830	27446	0.0721
	Purchase			08 May 2015	650	28096	0.0738
	Purchase			15 May 2015	1950	30046	0.0789
	Purchase			22 May 2015	40	30086	0.0790
	Purchase			12 Jun 2015	998	31084	0.0816
	Purchase			19 Jun 2015	1685	32769	0.0861
	Purchase			26 Jun 2015	2	32771	0.0861
	Purchase			30 Jun 2015	84	32855	0.0863
	Transfer			17 Jul 2015	-1300	31555	0.0829
	Transfer			24 Jul 2015	-2125	29430	0.0773
	Purchase			14 Aug 2015	1500	30930	0.0812
	Transfer			21 Aug 2015	-250	30680	0.0806
	Transfer			28 Aug 2015	-1659	29021	0.0762
	Purchase			11 Sep 2015	800	29821	0.0783
	Purchase			18 Sep 2015	2079	31900	0.0838
	Purchase			30 Sep 2015	77	31977	0.0840
	Transfer			09 Oct 2015	-1272	30705	0.0807
	Purchase			23 Oct 2015	200	30905	0.0812
	Purchase			06 Nov 2015	1195	32100	0.0843
	Purchase			20 Nov 2015	700	32800	0.0862
	Purchase			27 Nov 2015	280	33080	0.0869
	Purchase			04 Dec 2015	132	33212	0.0872
	Purchase			11 Dec 2015	13	33225	0.0873
	Purchase			18 Dec 2015	175	33400	0.0877
	Transfer			25 Dec 2015	-500	32900	0.0864
	Purchase			31 Dec 2015	1000	33900	0.0890

Sr. No.		Shareholding at the beginning of the year - 2014		Transactions during the year		Cumulative Shareholding at the end of the year - 2016	
	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 Jan 2016	-950	32950	0.0866
	Purchase			15 Jan 2016	169	33119	0.0870
	Purchase			22 Jan 2016	23659	56778	0.1491
	Transfer			29 Jan 2016	-100	56678	0.1489
	Purchase			05 Feb 2016	100	56778	0.1491
	Purchase			12 Feb 2016	5700	62478	0.1641
	Transfer			26 Feb 2016	-347	62131	0.1632
	Purchase			11 Mar 2016	692	62823	0.1650
	Purchase			18 Mar 2016	45	62868	0.1651
	Transfer			31 Mar 2016	2055	64923	0.1705
	AT THE END OF THE YEAR					64923	0.1705
9	TIPSONS FINANCIAL SERVICES PRIVATE LIMITED	0	0	-	-	0	0.0000
	Purchase			20 Feb 2015	2500	2500	0.0066
	Purchase			15 May 2015	1000	3500	0.0092
	Purchase			29 May 2015	4500	8000	0.0210
	Purchase			05 Jun 2015	500	8500	0.0223
	Purchase			24 Jul 2015	5000	13500	0.0355
	Purchase			14 Aug 2015	1500	15000	0.0394
	Purchase			20 Nov 2015	40000	55000	0.1445
	AT THE END OF THE YEAR					55000	0.1445
10	AMEYA ASHOK CHANDAVARKAR	78650	0.2066	-	-	78650	0.2066
	Transfer			23 Oct 2015	-6100	72550	0.1906
	Transfer			04 Dec 2015	-6200	66350	0.1743
	Transfer			31 Dec 2015	-13200	53150	0.1396
	AT THE END OF THE YEAR					53150	0.1396

Note: 1. Paid up Share Capital of the Company (Face Value ₹ 2.00) at the end of the year is 38070205 Shares.
2. The details of holding has been clubbed based on PAN.
3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

(v) **Shareholding of Directors & KMP**

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

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

V INDEBTEDNESS

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

(₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	33272.07	1758.01	-	35030.08
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	**33272.07**	**1758.01**	**-**	**35030.08**
Change in Indebtedness during the financial year				

(₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Additions	6414.24	400.00		6814.24
Reduction	1044.68	343.26		1387.94
Net Change	**5369.56**	**56.74**		**5426.30**
Indebtedness at the end of the financial year				
i) Principal Amount	38641.63	1814.75		40456.38
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	**38641.63**	**1814.75**		**40456.38**

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl. No	Particulars of Remuneration	Name of the MD		Total Amount
		Mr. G. K. Pillai	Mr. Chirag C. Doshi	
1	**Gross salary**			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	13055994	10170000	23225994
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	3477824	2832847	6310671
	(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	1944000	1944000
	Gratuity	0	346152	346152
	Total (A)	16533818	15292999	31826817
	Ceiling as per the Act	N.A. (being in loss)		

B. Remuneration to other directors:

Sl. No	Particulars of Remuneration	Name of the Directors						Total Amount
1	Independent Directors	Mr. P. K. Basu	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	150000	1050000	950000	650000	600000	600000	4000000
	(b) Commission	0	0	0	0	0	0	0
	(c) Others, please specify	0	0	0		0	0	0
	Total (1)	**150000**	**1050000**	**950000**	**650000**	**600000**	**600000**	**4000000**

			Name of the Directors	Total Amount
2	Other Non Executive Directors	Mr. Chakor L. Doshi	Mr. A. U. Rijhsinghani	
	(a) Fee for attending board committee meetings	850000	50000	900000
	(b) Commission	0	0	0
	(c) Others, please specify.	0	0	0
	Total (2)	**850000**	**50000**	**900000**
	Total (B)=(1+2)			**4900000**
	Total Managerial Remuneration			**36726817**
	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. Hiren Buch	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.		3001353	4147754	7149107
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961		358726	627084	985810
	(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		526581	533038	1059619
	Gratuity		93765	0	93765
	Total		**3980425**	**5307876**	**9288301**

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

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: Nil

WALCHANDNAGAR

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

Economic Overview

Amidst the gloomy global economic landscape, India stands out as a haven of stability and an outpost of opportunity. With a stable macro-economic scenario, government's commitment to fiscal consolidation and low inflation, its rate of economic growth is amongst the highest in the world. A genuine attempt at "broad-basing" the benefits of growth has been made via the Union Budget 2016-17 with special focus on the rural and agriculture sectors. This comes in the backdrop of the strong global headwinds and two years of deficient rainfall.

The global economic scenario has been quite challenging with low to tepid growth in the major world economies. With weak growth in US, Japan and Euro Zone (with the looming fear of Brexit), China has seen a period of slowing economic growth along with Brazil wherein the decline has been quite severe. Even the cash surplus economy of Saudi Arabia has been under severe strain due to low oil prices. Though low energy prices have been a boon for the Indian economy, what is worrying is the fall in global demand which has negatively impacted Indian Exports over the last year.

As far as domestic drivers of economic growth in India over the past year are concerned, it has been a mixed bag. While there have been positives in the form of lower energy import bill, stable exchange rate, relatively low inflation the downsides have been in the form of low farm output, slow growth in Industrial Production, lack of expected big-bang reforms (e.g. GST, Land Acquisition Act, etc.), constraints faced by banks due to capital adequacy issues and lack of new investments in the industrial sector (especially capital goods).

However, there is definitely hope for economic revival going ahead owing to a number of factors which include better monsoon predictions for 2016 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, etc it is hoped that 2016-17 would be a more wholesome year for the Indian economy in terms of economic revival.

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

Financial Performance

Sales & Profitability

Following is the summary of sales & profitability for the fiscal 2014-16 compared with previous year.

Particulars	FY 2014-16 (18 months)	FY 2013-14 (12 months)
Total Income	80,737	64,608
EBIDTA (Before Exceptional Items & Exchange Currency fluctuations)	6,730	2,438
EBIDTA (After Exceptional Items & Exchange Currency fluctuations)	5,505	4,666
Profit / (Loss) Before Tax (PBT)	(6,857)	(1,859)
Profit / (Loss) After Tax (PAT)	(7,168)	(1,237)
Cash Profit / (Loss)	(3,784)	489
Fully diluted EPS	(18.83)	(3.25)

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

Business Segment-wise Order Book, Performance & focus areas

The order book as on 31st March 2016 stood at ₹ 999 Crore. The Manufacturing and EPC businesses are evenly balanced with 50 % share each in the overall order book. The overall direction would be to further grow (both in terms of absolute value and % share) the manufacturing order book especially "Defence Business Group". WIL's strong legacy in this domain as well as its current track record of order execution puts us in a strong position to do so. In fact over the period of 6 quarters, the share of Manufacturing in the overall Revenue has grown from 20 % in Q1 to 70 % in Q6. As far as EPC Projects are concerned, the approach would be to remain selective with due emphasis on profitability and customer profile. Focus would also be given on certain specific segments like Centrifugal Machines, Process Equipment and General Engineering with emphasis on the exports market.

Key Events

- Supply of critical equipment for India's Defence Program.
- Supply of critical equipment for India's Nuclear Program.
- Reached final phases of completion of Sodium Piping work in India's Fast Breeder Reactor (FR) project at BHAVINI, Kalpakkam.
- Supply of key equipments for India's Space Program, the most recent one being for ISRO PSLV C-33, also bagged orders for diversified offerings in this field.
- Achieved enhanced output (in terms of no of integrated sets per month) for India's Missile Program (SAM AKASH).
- Reached final phase of execution of Tendaho-ph 1 project (Sugar + Co-generation) being carried out in Ethiopia.

- Successfully Commissioned the Chengalrayan site which is part of the Tamil Nadu Electricity Board sugar Modernization and Co-generation project.
- 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 a fine balance between project execution in the EPC domain as well as niche manufacturing. Established presence in the Sugar & Co-Generation business, Cement Equipment manufacturing as well as supply of critical manufactured components for Aerospace, Defence and Nuclear sectors enables us to understand the dynamics and cyclicality of such businesses and largely mitigate all associated risks. With a function dedicated to Contract Performance and a constituted body in the form of a Risk Management Committee, your company assures all its shareholders of a conservative and prudent Risk Mitigation framework.

Execution excellence is the key to profitable growth and your company's management clearly realizes this golden rule. Your company has made the necessary changes in its organization structure so as to ensure faster and more decisive project execution. One of the key steps taken in this direction is to de-centralize its procurement function and give more autonomy to each individual division. Upgradation of skills through specialized project management training programs, creation of a second line of young project managers as well as a systematic review mechanism are some initiatives which we feel would bring about far reaching improvement in Project Management and execution.

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

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

Liquidity & Financial Prudence

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

Foreign Exchange Risk Management

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

Technology Upgradation

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

Demand Cyclicality: part of the industry structure

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

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

Internal Control Systems

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

- Risk Based Internal Audit (RBIA) wherein the focus is given on End to End processes and control points from the point of view of Systems, Processes and awareness of people.

- Transaction audit covering all individual transactions on a granular basis to check the accuracy, accounting, propriety and controls.
- Audit of various sub processes in SAP. This entails identification of process gaps in SAP and correcting them from time to time.
- The findings of the audit are discussed in each audit committee meeting as well as in the internal meetings at a regular interval.

Human Resources

- Your company has been one of the pioneers in Indian Industry in the development of a dedicated and skilled technical workforce in the area of Heavy Engineering. We believe that this is our single biggest strength which has to be nurtured and constantly developed.
- Management and Workmen relations have been cordial.
- Various initiatives have been taken to encourage younger talent to develop and take up bigger responsibilities – job rotation, GET program, 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:

- Balanced order book
- Strong business outlook in strategic sectors like Defence & Aerospace.
- Marked improvement in the progress of long gestation EPC projects.
- Increased focus on overseas markets and further capitalizing upcoming opportunities.
- Ongoing efforts towards cost-rationalization.
- Likely positive impact of general macro-economic conditions in the domestic economy 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 pronouncements, relating to the business strategies, prospects, financial performance etc. The actual results may vary significantly or materially than those contemplated / implied in the analysis for various reasons including but not limited to the Government policy, macro economic situation, Business cycles, Financial & liquidity situation, demand slowdown, performance risk, material costs, interest costs, exchange rates etc. The Company does not undertake to make any declarations / pronouncements of any such eventuality.

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 Clause 49 of the Listing Agreement and in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(2) Board of Directors:

As on March 31, 2016, 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 Regulations.

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 period from October 01, 2014 to March 31, 2016 are given below:

Information on Board of Directors

Name of Director	Category / Designation	No. of Board Meetings held	Attendance (01.10.2014 to 31.03.2016)		No. of other Directorship in other Public Ltd Cos #	Chairmanship / Membership of Committees in other Public Ltd Cos. $		No. of Shares held by Non-Executive Directors	Remuneration paid / payable to Directors (₹ in Lakhs)			
			Board Meetings	Last AGM		Chairmanship	Membership		Sitting Fees	Salaries & Perquisites	Commission	Total
Mr. Chakor L. Doshi §	C – NED	9	8	Yes	2	0	0	55930*	8.5	-	-	8.5
Dr. P. K. Basu $	I - NED	1	1	N.A.	-	0	0	0	1.5	-	-	1.5
Mr. Dilip J. Thakkar	I - NED	9	9	Yes	7	2	3	0	10.5	-	-	10.5
Dr. Anil Kakodkar	I - NED	9	8	Yes	1	0	0	0	9.5	-	-	9.5
Mr. G. N. Bajpai	I - NED	9	8	Yes	8	1	3	0	6.5	-	-	6.5
Mr. A. R. Gandhi	I - NED	9	9	Yes	3	1	1	0	6.0	-	-	6.0
Mrs. Bhavna Doshi	I - NED	9	9	Yes	8	2	2	0	6.0	-	-	6.0
Mr. A. U. Rijhsinghani$	NED	1	1	N.A.	-	0	0	0	0.5	-	-	0.5
Mr. J. L. Deshmukh$	NED	0	0	N.A.	-	0	0	0	0	-	-	0
Mr. G. K. Pillai	MD & CEO	9	9	Yes	0	0	0	N.A.	-	165.34	-	165.34
Mr. Chirag C. Doshi §	MD	9	9	Yes	1	0	1	N.A.	-	152.93	-	152.93

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. During the Period from October 01, 2014; to March 31, 2016, nine Board Meetings were held on November 29, 2014; February 13, 2015; March 22, 2015; April 30, 2015; August 14, 2015; September 14, 2015; November 09, 2015; February 09, 2016 and March 15, 2016 and the maximum gap between the two Board meetings did not exceed 120 days.

3. Sitting fees paid to Directors include fees paid for attending the Board Meetings and all Sub-Committees thereof during the Period October 2014 to March 2016.

4. During the period, the professional fees amounting to ₹ 134.40 Lakhs and ₹ 4.81 Lakhs was paid to Mr. Chakor L. Doshi, Chairman and Mr. A. U. Rijhsinghani, Director respectively in accordance with the approval granted by the Shareholders. There were no other pecuniary relationships or transactions of Non-Executive Directors to 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

$ Mr. J. L. Deshmukh, Mr. A. U. Rijhsinghani and Dr. P. K. Basu resigned w.e.f. November 21, 2014, November 30, 2014 and December 01, 2014 respectively.

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

Code of Conduct :

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

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

CEO/CFO Certification:

As required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, the Managing Director & CEO of the Company have certified to the Board on the financial statements for the period ended March 31, 2016 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, 2016 namely Mr. Dilip J. Thakkar, Dr. Anil Kakodkar and Mr. Chakor L. Doshi, out of which two are Independent Directors including Mr. Dilip J. Thakkar, the Chairman of the Audit Committee and the requirement of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied with. The Committee is authorized by the Board in the manner as envisaged under Regulation 18(2)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Committee has been assigned task as listed under Clause 49 (II) (D) of the Listing Agreement/ 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 Clause 49 (II) (E) of the Listing Agreement/ 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 period under review:

Name of Director	No. of Meetings held	No. of Meetings attended
Mr. Dilip J. Thakkar	6	6
Dr. Anil Kakodkar	6	6
Mr. Chakor L. Doshi	6	6
Mr. P. K. Basu	1	1

Six Audit Committee Meetings were held during the period from October 2014 to March 2016 on November 29, 2014; February 13, 2015; April 30, 2015; August 14, 2015; November 09, 2015 and February 09, 2016.

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 13.02.2015.

Managing Director & CEO, Managing Director, Chief Financial Officer, Statutory Auditors and Chief Internal Auditor are the permanent invitee of the Audit Committee. Internal Independent Auditor and 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:

Nomination & Remuneration Committee has been re-constituted w.e.f. 01.12.2014 and as on March 31, 2016 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 Period under review :		
Name of Director	**No. of Meetings held**	**No. of Meetings attended**
Mr. G. N. Bajpai	1	1
Mr. Dilip J. Thakkar	1	1
Dr. Anil Kakodkar	1	1
Mr. Chakor L. Doshi	1	1
Mr. P. K. Basu	1	1

One Nomination & Remuneration Committee Meeting was held during the period from October 01, 2014 to March 31, 2016 on November 29, 2014.

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

The Non-Executive Directors do not draw any remuneration from the Company except as mentioned in Item No. 2 above. The total amount of sitting fees paid to Non-Executive Directors during the period was ₹ 49 lakhs.

Details of remuneration paid to Executive Directors:

The details of remuneration paid / provided for Mr. G. K. Pillai for the period ended from October 01, 2014 to March 31, 2016 is as follows:

Amount paid / payable (₹ in Lakhs)

Details	**Mr. G. K. Pillai Managing Director & CEO**
Salary	130.56
Perquisites	34.78
Contribution to P.F. and Superannuation	--
Gratuity	--
Commission	--
Total	**165.34**

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

Service Contract : Five 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 period ended from October 01, 2014 to March 31, 2016:

Amount paid / payable (₹ in Lakhs)

Details	**Mr. Chirag C. Doshi Managing Director**
Salary	101.70
Perquisites	28.32
Contribution to P.F. and Superannuation	19.44
Gratuity	3.46
Commission	--
Total	**152.93**

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

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

(5) Stakeholders Relationship Committee:

Stakeholders Relationship Committee has been re-constituted as per the provision of the Companies Act, 2013 w.e.f. 18.04.2014 and Dr. Anil Kakodkar is the Chairman of the Committee. It comprises of 3 Non-Executive Directors namely Mr. Chakor L. Doshi, Dr. Anil Kakodkar and Mr. Dilip J. Thakkar. The composition of the Committee meets the requirement of the Clause 49 of the Listing Agreement / 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 period from October 01, 2014 to March 31, 2016, 49 complaints were received from shareholders and were resolved as per details given hereunder:

Sr. No	Nature of query / Complaint	Pending as on 01.10.14	Received during the period	Redressed during the period	Pending as on 31.03.16
1	Non Receipt of Dividend / Interest/ Redemption Warrant	0	46	46	0
2	Non Receipt of Annual Report	0	3	3	0
	TOTAL	**0**	**49**	**49**	**0**

Attendance of Directors at the Stakeholders Relationship Committee Meeting held during the period from October 01, 2014 to March 31, 2016 is as under :-		
Name of Director	**No. of Meeting held**	**No. of Meeting attended**
Dr. Anil Kakodkar	1	1
Mr. Dilip J. Thakkar	1	1
Mr. Chakor L. Doshi	1	1

During the period from October 01, 2014 to March 31, 2016 under review, one Stakeholders Relationship Committee Meeting was held on 29.11.2014. 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. Board in its meeting held on November 29, 2014 has dissolved Corporate Strategic Planning Committee with immediate effect. The composition, functions and attendance of members of the Committees are listed below:

(7) Risk Management Committee :

During the period under review, your Directors have constituted a Risk Management Committee in the Board Meeting held on November 29, 2014 which was re-constituted in the Board Meeting held on April 30, 2015 and Mr. G. K. Pillai is the Chairman of the Committee. It comprises of senior executives of the company namely Mr. G. K. Pillai, Mr. Chirag C. Doshi and Mr. Shree B. Pathak. 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 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 are identified and assessed. For each of the risks identified, corresponding controls are assessed and policies and procedures are put in place for monitoring, mitigating and reporting risk on a periodic basis.

During the period from October 01, 2014 to March 31, 2016 under review, one Risk Committee Meeting was held on 23.07.2015. 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.

(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 period from October 01, 2014 to March 31, 2016 under review, one meeting of Finance Committee was held on 29.11.2014.

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	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.

(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 period from October 01, 2014 to March 31, 2016 under review, no meeting of the Corporate Social Responsibility was held.

(10) Committee of Independent Directors:

Independent Directors Committee has been constituted as per the provisions of the Companies Act, 2013 and Clause 49 of Listing Agreement / Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Three Independent Directors Meeting of the Company were held on 13.02.2015, 30.04.2015 and 09.02.2016 (adjourned to 15.03.2016).

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

Attendance of Directors at the Independent Directors Committee Meeting held during the period from October 01, 2014 to March 31, 2016 is as under :-		
Name of Director	**No. of Meetings held**	**No. of Meetings attended**
Dr. Anil Kakodkar	3	3
Mr. Dilip J. Thakkar	3	3
Mr. G. N. Bajpai	3	3
Mr. A. R. Gandhi	3	3
Mrs. Bhavna Doshi	3	3

(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 period from October 01, 2014 to March 31, 2016 under review, no meeting of the Allotment Committee was held.

(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 period from October 01, 2014 to March 31, 2016 under review, no meeting of the Committee of Directors for Capital Issue was held.

(13) General Body meetings:

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

Year	Venue	Date	Time
2011-2012	Walchand Hirachand Hall, IMC Building, Churchgate, Mumbai – 400 020	31.01.2013	04.00 p.m.
2012-2013	Walchand Hirachand Hall, IMC Building, Churchgate, Mumbai – 400 020	28.01.2014	03.30 p.m.
2013-2014	Walchand Hirachand Hall, IMC Building, Churchgate, Mumbai – 400 020	13.02.2015	04.00 p.m.

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

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

- 2011-2012

  a) Resolution Number 7, Resolution under Section 198,269,309,310,311 read with Schedule XIII to accord consent of the Shareholders of the Company for the appointment of Mr. G. K. Pillai as Managing Director & Chief Executive Officer of the Company.

  b) Resolution Number 8, Resolution under Section 314(1B) of the Companies Act, 1956 to accord consent of the shareholders of the Company to Mrs. Tanaz C. Doshi to hold and continue to hold an office or place of Profit in the Company with the designation as Special Executive.

  c) Resolution Number 9, Resolution under Section 314(1B) of the Companies Act, 1956 to accord consent of the shareholders of the Company to Mrs. Champa C. Doshi to hold and continue to hold an office or place of Profit in the Company with the designation as Special Executive(Corporate Affairs).

  d) Resolution Number 10, Resolution under Section 198,269,309,310,311 read with Schedule XIII to accord consent of the Shareholders of the Company for the re-appointment of Mr. Chirag C. Doshi as Managing Director of the Company.

- 2012-2013

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

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

- 2013-2014

  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.

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

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

During the period from October 01, 2014 to March 31, 2016 under review no resolution has been passed through Postal Ballot.

(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.

(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 12, 2016 at 4.00 p.m. Walchand Hirachand Hall, Indian Merchants' Chambers Building, Churchgate, Mumbai – 400 020
ii)	Financial Year	:	The Company aligned its Financial Year from October-September to 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, Exchange Plaza

Bandra Kurla Complex, Bandra (East)

Mumbai 400 051. Tel.: 022-26598100

The Listing fees for the year 2015-2016 and 2016-2017 have been paid to both the Stock Exchanges.

vi) Stock Code : 507410 (BSE) and WALCHANNAG (NSE)

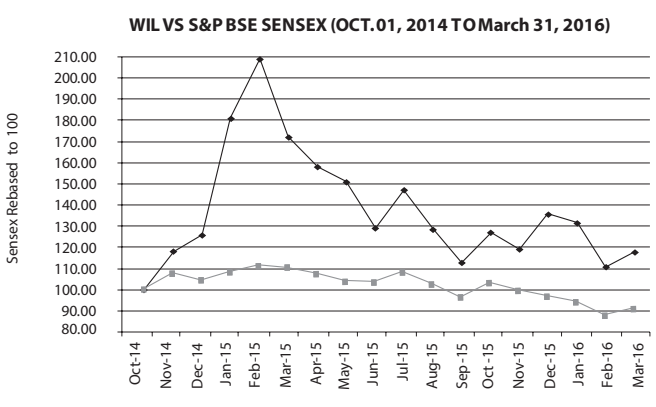
vii) Market Price Data : High, Low during each month in last financial year : BSE/NSE

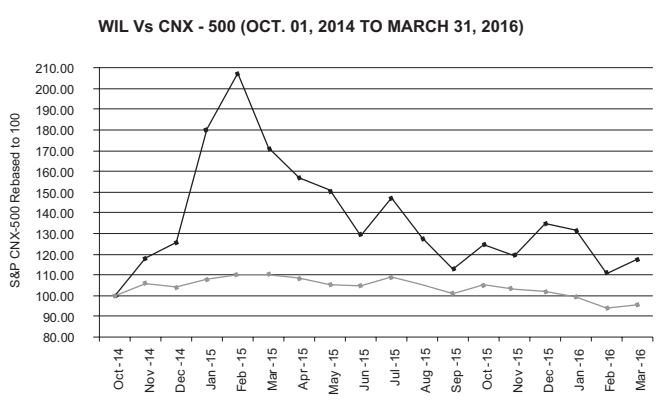
Amount in ₹

Month	BSE		S&P BSE SENSEX	NSE		CNX-500
	High	Low	Closing	High	Low	Closing
Oct-14	144.9	98.75	27865.83	145.1	98.55	6,685.75
Nov-14	154.5	133	28693.99	154.7	132.5	6,918.05
Dec-14	181	125	27499.42	180.9	125.65	6,773.65
Jan-15	273.9	165.95	29182.95	273.9	165.75	7,166.7
Feb-15	282	226	29361.5	281.7	223.2	7,239.45
Mar-15	258.8	159.6	27957.49	258.4	159.2	6,978.15
Apr-15	220	164.4	27011.31	220	162.05	6,749.65
May-15	198.6	168.4	27828.44	198.8	168.65	6,959.85
Jun-15	173.6	140.5	27780.83	173.85	140.5	6,897.2
Jul-15	199.9	158	28114.56	200.00	158.2	7,106.2
Aug-15	192.2	120.3	26283.09	191.5	120.2	6,669.35
Sep-15	151.7	122.8	26154.83	151.75	123	6,646.1
Oct-15	169.2	139.9	26656.83	168.95	134.3	6,750.95
Nov-15	162	127.9	26145.67	162.4	128.1	6,686.1
Dec-15	190.4	139.5	26117.54	190	139.1	6,724.75
Jan-16	189.8	130.1	24870.69	189.9	130.05	6,339.45
Feb-16	153.8	115.8	23002	153.8	116	5,829.95
Mar-16	158	128.5	25341.86	157.85	128.20	6,452.15

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 period October 01, 2014 to March 31, 2016:





ix) Registrar and Share Transfer Agents : M/s. Link Intime India Pvt. Ltd.
Unit: Walchandnagar Industries Ltd.
C-13, Pannalal Silk Mills Compound, L.B.S. Marg,
Bhandup (W), Mumbai 400 078
Tel.: (022) 25946970-80
Fax: (022) 25946969
Email 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, 2016 :

Category	No. of Shares	%
Promoters & Directors, Directors Relatives/HUF & Group Companies/ Group Trusts	20938613	55.00
Mutual Funds & Unit Trust of India	427620	1.12
Banks, Financial Institutions, State Government	138263	0.36
Insurance Companies	1379988	3.62
Bodies Corporate & Clearing Members	1821449	4.78
NRI/OCB/FII/FN/FPI	220963	0.58
Public (Resident Indians / Trusts/ HUF)	13143309	34.54
Total	**38070205**	**100.00**

(b) Distribution of shareholding as on March 31, 2016 :

Shareholding of nominal value of ₹	Number of Shareholders	% to Total	Amount in ₹	% to Total
1 to 5000	72994	99.0555	19347242	25.4100
5001 to 10000	432	0.5862	3108920	4.0831
10001 to 20000	136	0.1846	2022858	2.6567
20001 to 30000	53	0.0719	1318914	1.7322
30001 to 40000	19	0.0258	668088	0.8774
40001 to 50000	11	0.0149	521028	0.6843
50001 to 100000	26	0.0353	1806344	2.3724
100001 onwards	19	0.0258	47347016	62.1838
TOTAL	**73690**	**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, 2016, 36,917,519 equity shares representing 96.97% 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 : Link Intime India Pvt.Ltd.
Unit: Walchandnagar Industries Ltd.,
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W), Mumbai - 400 078
Tel.: (022) 25946970-80
Fax: (022) 25946969
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
Tel.: (022) 40287104/110
Fax: (022) 23634527
Email: investors@walchand.com; gsagrawal@walchand.com

xvi) National ECS Facility : As per RBI notification, with effect from October 01, 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 the new 10-digit 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 107th Annual General Meeting, a part of this 107th 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-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai – 400 078 for encashing the unclaimed Dividend for the financial year 2008-2009 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)	Unclaimed Equity Shares	:	Members are hereby informed that as per Regulation 39(4) read with Schedule VI of the SEBI Regulations, shares held physically which may have remained unclaimed by shareholders due to insufficient/incorrect information or for any other reason should be transferred in demat mode to one folio in the name of "Unclaimed Suspense Account" with one of the Depository Participants. The Company has transferred the balance of unclaimed shares to the Unclaimed Suspense Account.
xix)	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.
xx)	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 Accounting Standards AS-18, the details of related party transactions are given in Note No. 30 to the notes on financial statements for the period from October 01, 2014 to March 31, 2016, 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. During the period Adjudicating Officer has passed an order dated December 22, 2015 under Section 15-I of Securities and Exchange Board of India Act, 1992 read with Rule 5 of SEBI (Procedure for holding Inquiry and Imposing penalties by Adjudicating Officer) Rules, 1995, against all promoter entities of BCMA, with reference to purchase of shares of BCMA by Walchand Kamdhenu Commercials Pvt. Ltd. The Company have filed an appeal before Securities Appellate Tribunal (SAT) against the said order.

iv) Vigil Mechanism / Whistle Blower Policy :

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

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

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

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

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

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

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

vii) *Corporate Identity Number (CIN)*

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

viii) *Compliance Certificate from Auditors on Corporate Governance*

Certificate from Statutory auditors M/s. K. S. Aiyar & Co, Chartered Accountants confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement / 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 Clause 47(c) of the Listing Agreement*

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 Dematerialised 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 Clause 47(c) of the Listing Agreement and placed before the Board of Directors.

DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT

Compliance of Code of Conduct for Directors and Senior Management Personnel pursuant to amended provision of Clause 49 of the Listing Agreement / 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, 2016.

G. K. Pillai
Managing Director & CEO

Date: *May 24, 2016*

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of

Walchandnagar Industries Limited

We have examined the compliance of conditions of Corporate Governance by **Walchandnagar Industries Limited**, for the period / year ended March 31, 2016 as stipulated in Clause 49 of Listing Agreement / SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 Listing Agreement / SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 K. S. Aiyar & Co.
Chartered Accountants
FRN 100186W

Satish K.Kelkar
Partner
Membership No. 38934

Place : Mumbai
Dated : *May 24, 2016*

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 Repaired controller, rearranged capacitors, changed faulty capacotors -

Improved power factor from 0.95 to unity , obtained incentive from Electricity Board .

2 Energy audit carried out by external auditing agency.

3 Replacement of 400W mercury vapour lamps & 250W Metal Halide lamps in the plant with 100W LED lamps & 400W Metal Halide lamps in the plant with 150W LED lamps.

4 Replacement of 36W tube lights in the plant office with 14W LED tube lights.

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

(1) Implementation of energy audit recommendations.

(2) Further continue with Replacement of Metal Halide/LED/induction lamps in place of Mercury Vapour lamps.

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

(B) **TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT**

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

Automation of welding for Aerospace products.

Automation of welding for Boiler products.

Narrow groove welding for Nuclear products.

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

Improvement in Quality & Cycle Equipments for Aerospace & Nuclear Jobs for improving productivity.

(3) Future Plan of Action

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

Expenditure on R&D

	₹ in Lakhs
Capital (Development Expenditure)	3.57
Recurring	17.98
Total	21.55
Total R&D Expenditure	
Percentage to turnover	0.027

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

(i) (a) Kawasaki Heavy Industries Ltd. Tokyo, Japan

(b) Year of collaboration : 2010-11

(c) We have already started getting enquiries for air supported Belt Conveyors and Parts thereof.

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

(b) Year of Collaboration : 2011-12

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

(5) Technology absorption, adaptation and innovations:

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

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

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

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

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign exchange used and earned:

Earnings in Foreign Exchange	₹ 14434.88 Lakhs.
Foreign Exchange Outgo	₹ 1888.23 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 period from October 01, 2014 to March 31, 2016, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial period from October 01, 2014 to March 31, 2016 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 period October 01. 2014 to March 31, 2016.	Remuneration of Director / KMP for the period October 01, 2014 to March 31, 2016.	% increase in Remuneration	Ratio of Remuneration of each Director to the median remuneration of employees $
(i)	(ii)	(iii)	(iv)	(v)
1.	G. K. Pillai Managing Director & CEO	16533818	*	40.53:1
2.	Chirag C. Doshi Managing Director	15292999	*	37.48:1
3.	Hiren Buch Chief Financial Officer (upto 5th March, 2016)	5307876	#	-
4.	G. S. Agrawal Vice President (Legal & Taxation) & Company Secretary	3980425	#	-

*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 period under review.

$ For the figures mentioned in Column (v) in the above table, amount in previous year i.e. from October 01, 2013 to September 30, 2014 (12 months) is compared with Current period i.e. from October 01, 2014 to March 31, 2016 (18 months) on an average period of 12 months basis.

ii) The median remuneration of employees of the Company during the Period from October 01, 2014 to March 31, 2016 was ₹ 2.72 lakh p.a.;

iii) In the Financial Year, there was an increase of 27.20 % in the median remuneration of employees;

iv) There were 2094 permanent employees on the rolls of Company as on March 31, 2016;

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

vi) **Comparison of the Remuneration of the Key Managerial Personnel(s) against the performance of the Company:** Company's reward philosophy of its Employees including Key Managerial Personnel are directly linked to the individual performance as well as that of the Company. Due to loss in the current financial year the Key Managerial Personnel's are not entitled for Commission and Performance linked reward are also paid as per the policy of the Company which is linked with the profitability of the Company. Hence, the minimum remuneration as approved by shareholders in case of MD & CEO and MD was paid and for other KMPs the remuneration as approved by the Nomination & Remuneration Committee was paid.

vii) a) Variations in the market capitalisation of the Company: The market capitalisation as on March 31, 2016 was ₹ 56305.83 Lakhs (₹ 40183.10 Lakhs as on September 30, 2014).

b) Price Earnings ratio of the Company was (7.85) as at March 31, 2016 (for a period of 18 months) and was (32.48) as at September 30, 2014 (for a period of 12 months).

c) The closing share price of the Company at BSE Limited and National Stock Exchange of India Ltd. as on March 31, 2016, was ₹ 147.90 per equity share and ₹ 148.35 per equity share, of face value of ₹ 2/- each.

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

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

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

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

ANNEXURE 'F' TO DIRECTORS REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH,2016

[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 eighteen months starting from 1st October,2014 and ending on 31st March,2016 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,2016 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,1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(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;

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

(i) The Reserve Bank of India Act,1934, RBI's NBFC Directions and Guidelines, Circular etc issued by RBI from time to time, applicable on NBFCs

(vi) 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 regular 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;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors till 31st March, 2016.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent at least seven 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.

As per the minutes of the Board duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company 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: 24th May, 2016.

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, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the eighteen months period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its loss and its cash flows for the eighteen months period ended on that date.

Emphasis of Matter

We draw attention to

a) Note No. 14.1 to the Financial Statements regarding old Trade Receivables of ₹ 847.50 Lakhs which are currently under arbitration/ litigation. Pending the ultimate outcome of these matters, which is presently unascertainable, no provision has been made in respect of these dues.

b) Note No. 34 (a)(j) to the Financial Statements regarding deductions of liquidated damages imposed by certain customers during the current period amounting to ₹ 620.09 Lakhs due to delays in supplies/ services on the part of the company. The Company contends that the delays are not attributable to it and has submitted the waiver applications. No provision has been made against these liquidated damages as based on the past experience, the company is confident of getting these liquidated damages waived.

c) Note No. 16 to the Financial Statements regarding non moving inventory of work in progress amounting to ₹ 2567.69 Lakhs on account of orders which have been cancelled/ put on hold. The Company contends that this stock will either be liquidated or diverted to other projects without any loss arising there from.

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

Report on Other Legal and Regulatory Requirements

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

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

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

(b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from divisions at Zambia and Ethiopia not visited by us. The divisions' overseas Auditors' Reports have been forwarded to us and appropriately dealt with;

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

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

(e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;

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

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

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

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

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

Satish K. Kelkar
Partner.
Membership No.: 38934

Place: Mumbai
Date: 24th May, 2016.

ANNEXURE A TO THE AUDITORS' REPORT

(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Report of even date on the financial statements for eighteen months period ended March 31, 2016 of Walchandnagar Industries Limited)

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

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

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

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

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

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

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

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

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

According to the information and explanations given to us, there are no undisputed outstanding dues in respect of the above items in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, the disputed statutory dues on accounts of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Municipal Tax and Cess that have not been deposited on account of matters pending before appropriate authority are as follows:

Name of the Statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Denial of exemption availed under notification No. 6/2002, for supply of bio-mass based boilers.	266.19 (Net of CENVAT reversal and payment)	March, 2000 to March, 2004	CESTAT, Mumbai
Central Excise Act, 1944	Excise duty demand on bought out items supplied for centrifugals, which have already suffered duty at manufacturers end.	82.73 (Net of CENVAT reversal and payments)	June, 1983 to April, 2005	Supreme Court
Maharashtra Land Revenue Code	NA Tax (₹ 20 Lakhs paid under protest)	86.61	1982 to 2003	Collector of Pune
	NA Tax	16.18	1982 to 2003	SDO, Baramati
	NA Tax	58.58	1994 to 2003	SDO, Baramati

Name of the Statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Pune Municipal Corporation	Municipal Taxes – Determination of Annual Rateable Value	325.07	2008-09 to 2011-12	Court of Small Causes , Pune
Central Sales Tax Act, 1956	The exemption from tax for transit sale under section 6(2) (b) is denied. ₹ 30 Lakhs paid under protest.	159.83	2005-06	Joint Commissioner of Sales Tax (Appeal), Pune
Service Tax	Demand on value addition of bought out items. ₹ 28.76 Lakhs paid under protest.	362.65	2006-10	CESTAT, Kolkata
Employees Provident Fund	EPF – Demand from EPF authorities	50.68	2006-07	Mumbai High Court
Central Excise Act, 1944	Excise Duty on bought out components supplied for Centrifugals	2.47	Sept-09 to Jan-11	CESTAT, Mumbai

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to a Financial Institution, Banks. The company has not raised loans or borrowings from Government or debenture holders.

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

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

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

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

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

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

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

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

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

Satish K. Kelkar
Partner.
Membership No.: 38934

Place: Mumbai
Date: 24th May, 2016.

ANNEXURE B TO THE AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of Walchandnagar Industries Limited ("the Company") as of 31st March, 2016 in conjunction with our audit of the financial statements of the Company for the eighteen months period ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Satish K. Kelkar
Partner.
Membership No.: 38934

Place: Mumbai
Date: 24th May, 2016.

WALCHANDNAGAR

1908-2008

BALANCE SHEET AS AT MARCH 31, 2016

₹ in Lakhs

Particulars	Note No.		As at March 31, 2016	As at September 30, 2014
I EQUITY AND LIABILITIES				
SHAREHOLDERS' FUNDS				
a) Share Capital	2	761.40		761.40
b) Reserves and Surplus	3	55,433.30		66,273.50
			56,194.70	67,034.90
NON-CURRENT LIABILITIES				
a) Long-Term Borrowings	4	8,943.42		7,506.61
b) Other Long Term Liabilities	6	4,972.75		8,549.42
c) Long Term Provisions	7	808.58		556.16
			14,724.75	16,612.19
CURRENT LIABILITIES				
a) Short-Term Borrowings	8	30,006.49		27,519.28
b) Trade Payables	9	9,855.97		20,562.14
c) Other Current Liabilities	10	28,702.86		29,391.29
d) Short Term Provisions	7	343.68		385.99
			68,909.00	77,858.70
TOTAL			**139,828.45**	161,505.79
II ASSETS				
NON-CURRENT ASSETS				
a) Fixed Assets:				
(I) Tangible Assets	11	55,836.64		61,409.81
(II) Intangible Assets	11	208.75		293.95
(III) Capital Work-in-Progress	11	56.12		438.96
			56,101.51	62,142.72
b) Non-Current Investments	12	12.17		519.87
c) Deferred Tax Assets (Net)	5	1,901.01		1,901.01
d) Non-Current Trade Receivables	14.1	659.89		1,154.07
e) Long-Term Loans and Advances	13	2,422.14		2,304.15
f) Other Non-Current Assets	14.2	137.00		137.00
			5,132.21	6,016.10
CURRENT ASSETS				
a) Current Investments	15	15.63		1,933.69
b) Inventories	16	22,000.75		27,475.74
c) Contracts-in-Progress	18.1	5,912.66		4,317.01
d) Trade Receivables	14.1	39,619.31		40,469.84
e) Cash and Bank Balances	17	2,476.61		4,685.57
f) Short-Term Loans and Advances	13	6,818.65		12,909.09
g) Other Current Assets	14.2	1,751.12		1,556.03
			78,594.73	93,346.97
TOTAL			**139,828.45**	161,505.79
Significant Accounting Policies	1			
Other Notes to Accounts	2 - 36			

As per our report attached

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

Satish K. Kelkar
Partner
Membership No: 38934

Date : 24.05.2016
Place : Mumbai

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

Chirag C. Doshi
Managing Director

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

Date : 24.05.2016
Place : Mumbai

Chakor L. Doshi
Chairman

Dilip J. Thakkar
Director

STATEMENT OF PROFIT AND LOSS FOR THE 18 MONTHS PERIOD ENDED MARCH 31, 2016

₹ in Lakhs

		Note No.	For 18 months period ended March 31, 2016	Year ended September 30, 2014
I	Revenue from Operations	18	**82,703.86**	65,763.74
	Less: Excise Duty		**2491.50**	1,940.64
			80,212.36	63,823.10
II	Other Income	19	**524.41**	784.97
III	**TOTAL REVENUE (I +II)**		**80,736.77**	64,608.07
IV	Expenditure :			
	Cost of Materials Consumed	20	**37,105.12**	31,548.05
	Sub-contracting Expenses, Processing Charges and Other Direct Costs	21	**11,273.48**	14,370.58
	Changes in inventories of finished goods and work-in-progress	22	**3,357.36**	(35.72)
	Employees Benefits Expenses	23	**13,582.58**	9,243.19
	Finance Costs	24	**8,978.09**	4,798.89
	Depreciation and Amortisation Expenses	25	**3,383.95**	1,725.49
	Other Expenses	26	**8,688.24**	7,044.04
	Exchange Currency Fluctuation (Gain)/ Loss		**214.31**	217.54
	TOTAL EXPENSES		**86,583.13**	68,912.06
V	**PROFIT/ (LOSS) BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III - IV)**		**(5,846.36)**	(4,303.99)
VI	Exceptional Items	27	**(1,011.09)**	2,445.36
VII	**PROFIT/ (LOSS) BEFORE EXTRAORDINARY ITEMS AND TAX (V - VI)**		**(6,857.45)**	(1,858.63)
VIII	Extraordinary Items		-	-
IX	**PROFIT/ (LOSS) BEFORE TAX (VII - VIII)**		**(6,857.45)**	(1,858.63)
X	Tax expense:			
	(1) Current tax		-	-
	(2) Tax for earlier years	28	**311.00**	(622.00)
	(3) Deferred tax (asset)/ liability		-	-
			311.00	(622.00)
XI	**PROFIT/ (LOSS) FOR THE YEAR (IX -X)**		**(7,168.45)**	(1,236.63)
XII	**EARNINGS PER EQUITY SHARE OF FACE VALUE OF ₹ 2 EACH**			
	(1) Basic	29	**(18.83)**	(3.25)
	(2) Diluted	29	**(18.83)**	(3.25)

As per our report attached

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

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

Chakor L. Doshi
Chairman

Satish K. Kelkar
Partner
Membership No: 38934

Chirag C. Doshi
Managing Director

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

Dilip J. Thakkar
Director

Date : 24.05.2016
Place : Mumbai

Date : 24.05.2016
Place : Mumbai

WALCHANDNAGAR

CASH FLOW STATEMENT FOR 18 MONTHS PERIOD ENDED MARCH 31, 2016

₹ in Lakhs

			18 months period ended March 31, 2016		Year ended September 30, 2014
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	PROFIT/ (LOSS) BEFORE TAX		**(6,857.45)**		(1,858.63)
	Add:				
	Finance Costs	**8,978.09**		4,798.89	
	Depreciation and Amortisation Expenses	**3,383.95**		1,725.49	
	Expenses on sale of Investment	**3.24**		-	
	Provision for Doubtful debts	**2,056.88**		-	
	Amortisation of Foreign Currency Monetary Items Translation Difference account	-		226.74	
			14,422.16		6,751.12
			7,564.71		4,892.49
	Less:				
	Profit / (Loss) on Non-current Investments	**174.26**		2,445.36	
	Profit / (Loss) on Sale of Current Investments	**925.33**		88.53	
	Profit / (Loss) on Sale of Asset (Net)	**7.16**		324.28	
	Interest/ Dividend	**56.90**		66.89	
			1,163.65		2,925.06
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**I**	**6,401.06**		1,967.43
	Adjustments for changes in Working Capital:				
	(Increase) / Decrease in Trade and Other Receivables	**7,428.98**		(805.87)	
	(Increase) / Decrease in Inventories	**3,879.33**		(1,208.41)	
	Increase / (Decrease) in Trade and Other Payables	**(16,457.41)**		(1,486.77)	
		II	**(5,149.10)**		(3,501.05)
	CASH GENERATED FROM OPERATING ACTIVITIES	**I+II**	**1,251.96**		(1,533.62)
	Direct Taxes Paid / Refund Received (Net)		**(1,239.10)**		(2,289.55)
	NET CASH FLOW FROM OPERATING ACTIVITIES	**A**	**12.86**		(3,823.17)
B	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Investment	-		(1,123.64)	
	Purchase of Fixed Assets	**(989.98)**		(450.01)	
	Proceeds from sale of Non-current Investments	**507.70**		4,071.52	
	Proceeds from sale of Current Investments (Net)	**1,918.06**		224.04	
	Proceeds from sale of Fixed Assets	**26.23**		347.69	
	Expenses on sale of Investment	**(3.24)**		-	
	Interest Received	**35.27**		37.18	
	Dividend Received	**21.63**		29.72	
	NET CASH FLOW FROM INVESTING ACTIVITIES	**B**	**1,515.67**		3,136.50
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from long term borrowings	**3,491.02**		7,500.00	
	Repayment of long term borrowings	**(561.95)**		(4.18)	
	Repayment of public deposits	-		(0.70)	
	Proceeds/ (Repayments) of other borrowings (Net)	**2,497.22**		1,438.18	
	Interest Paid	**(8,978.09)**		(4,610.32)	
	Dividend Paid	**(185.69)**		(177.26)	
	NET CASH FLOW FROM FINANCING ACTIVITIES	**C**	**(3,737.49)**		4,145.72
	NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	**(A+B+C)**	**(2208.96)**		3459.05
	OPENING BALANCE OF CASH AND CASH EQUIVALENTS		**4,685.57**		1,226.52
	CLOSING BALANCE OF CASH AND CASH EQUIVALENTS		**2,476.61**		4,685.57

As per our report attached

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

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

Chakor L. Doshi
Chairman

Satish K. Kelkar
Partner
Membership No: 38934

Chirag C. Doshi
Managing Director

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

Dilip J. Thakkar
Director

Date : 24.05.2016
Place : Mumbai

Date : 24.05.2016
Place : Mumbai

NOTES TO FINANCIAL STATEMENTS FOR 18 MONTHS PERIOD ENDED MARCH 31, 2016

1 SIGNIFICANT ACCOUNTING POLICIES

1.1 METHOD OF ACCOUNTING

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

1.2 USE OF ESTIMATES

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

1.3 REVENUE RECOGNITION

A –Product Sales

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

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

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

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

B - Contract Revenue

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

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

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

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

C - Service Revenue

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

D – Interest and Dividend Income

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

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

E – Export Benefits

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

NOTES TO FINANCIAL STATEMENTS FOR 18 MONTHS PERIOD ENDED MARCH 31, 2016

1.4 TANGIBLE FIXED ASSETS

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

1.5 INTANGIBLE ASSETS

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

1.6 DEPRECIATION/AMORTIZATION

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

Depreciation on the value written-up on revaluation, is calculated on straight line method over the residual technical life assessed by the valuer. Premium on leasehold land is amortized over the period of lease. Depreciation on all other fixed assets is computed on Written Down Value method in the manner prescribed in Schedule II to the Companies Act, 2013 based on useful life of the asset.

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

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

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

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

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

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

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

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

1.8 IMPAIRMENT OF ASSETS

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

1.9 INVESTMENTS

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

1.10 EMPLOYEE BENEFITS

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

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

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

NOTES TO FINANCIAL STATEMENTS FOR 18 MONTHS PERIOD ENDED MARCH 31, 2016

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

1.11 TAXES ON INCOME

Tax expenses comprise of current and deferred tax.

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

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

1.12 BORROWING COSTS

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

1.13 INVENTORIES

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

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

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

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

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

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

1.14 Liquidated damages-

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

1.15 FOREIGN CURRENCY TRANSLATION

a) Initial recognition

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

b) Conversion

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

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

c) Exchange differences

The Company has opted to avail the option provided under Paragraph 46A of Accounting Standard 11 – The Effects of Changes in Foreign Exchange Rates, inserted vide Notification dated December 29, 2011. Accordingly, exchange differences on long term foreign currency monetary items are being dealt with in the following manner:

Foreign exchange difference on account of a depreciable asset is adjusted in the cost of the depreciable asset, which would be depreciated over the balance life of the asset. In other cases, the foreign exchange difference is accumulated in Foreign Currency Monetary Item Translation Difference Account and amortized over the balance period of such long term asset/ liability.

All other exchange differences are recognized as income or as expense in the period to which they relate.

d) Premium or discount on forward exchange contracts for hedging an underlying asset/ liability, is recognized in the Statement of Profit and Loss over the period of the contract.

1.16 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

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

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

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

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

1.17 LEASES

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

1.18 SEGMENT REPORTING

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

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

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

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

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

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

1.19 EARNINGS PER SHARE

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

NOTES TO FINANCIAL STATEMENTS FOR 18 MONTHS PERIOD ENDED MARCH 31, 2016

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

2 SHARE CAPITAL

₹ in Lakhs

Particulars	As at March 31, 2016	As at September 30, 2014
AUTHORIZED:		
50,000 (Previous year 50,000) 10% Cumulative Preference Shares of ₹ 100 each	**50.00**	50.00
50,000 (Previous year 50,000) Preference Shares of ₹ 100 each	**50.00**	50.00
120,000,000 (Previous Year 120,000,000) Equity Shares of ₹ 2 each	**2,400.00**	2,400.00
	2,500.00	2,500.00
ISSUED:		
3,80,70,205 (Previous year 3,80,70,205) Equity Shares of ₹ 2 each	**761.40**	761.40
SUBSCRIBED AND PAID-UP:		
3,80,70,205 (Previous year 3,80,70,205) Equity Shares of ₹ 2 each fully paid-up	**761.40**	761.40
TOTAL	**761.40**	761.40

ADDITIONAL INFORMATION:

(a) RECONCILIATION OF NUMBER OF SHARES OUTSTANDING:

Particulars	As at March 31, 2016		As at September 30, 2014	
Equity Shares of ₹ 2 each	**No. of Shares**	**₹ in Lakhs**	No. of Shares	₹ in Lakhs
At the beginning of the year	**38,070,205**	**761.40**	38,070,205	761.40
Movement(s) during the year	**-**	**-**	-	-
At the end of the year	**38,070,205**	**761.40**	38,070,205	761.40

(b) TERMS AND RIGHTS ATTACHED TO EQUITY SHARES:

The Company has only one class of equity shares having par value of ₹ 2 per share. Each shareholder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian Rupees.

Your directors do not recommend any Dividend for Financial Year / period ended March 31, 2016.

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

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

	As at March 31, 2016		As at September 30, 2014	
(Equity shares of ₹ 2 each fully paid-up)	**Number**	**% holding**	Number	% holding
Walchand Kamdhenu Commercials Pvt Ltd.	**9,869,673**	**25.92**	9,869,673	25.92
Walchand Great Achievers Pvt Ltd.	**5,260,160**	**13.82**	5,260,160	13.82
Rodin Holdings Inc	**3,000,000**	**7.88**	3,000,000	7.88
Olsson Holdings Inc	**2,000,000**	**5.25**	2,000,000	5.25

NOTES TO FINANCIAL STATEMENTS FOR 18 MONTHS PERIOD ENDED MARCH 31, 2016

3 RESERVES AND SURPLUS

₹ in Lakhs

Particulars	As at March 31, 2016	As at September 30, 2014
CAPITAL REDEMPTION RESERVE	**50.00**	50.00
SECURITIES PREMIUM RESERVE	**4,994.46**	4,994.46
REVALUATION RESERVE		
Balance as per last Financial Statement	**48,240.16**	50,655.61
Less: Adjustment on account of sale	**43.39**	145.61
Less: Amount transferred to the Statement of Profit and Loss as reduction from Depreciation	**3,234.49**	2,269.84
CLOSING BALANCE	**44,962.28**	48,240.16
FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE ACCOUNT		
Opening Balance	**-**	(226.74)
Less: Amortization of exchange fluctuation during the year	**-**	226.74
CLOSING BALANCE	**-**	-
GENERAL RESERVE		
Balance as per last financial statement	**5,606.05**	5,606.05
CLOSING BALANCE	**5,606.05**	5,606.05
SURPLUS/ (DEFICIT) IN THE STATEMENT OF PROFIT AND LOSS		
Balance as per last Financial Statement	**7,382.83**	8,802.19
Add: Profit / (Loss) for the year	**(7,168.45)**	(1,236.63)
Less: Adjustment relating to fixed assets (Refer Note No.-11)	**393.87**	-
Less: Appropriations:		
Proposed Final Dividend	**-**	152.28
Tax on Proposed Dividend	**-**	30.45
CLOSING BALANCE	**(179.49)**	7,382.83
TOTAL RESERVES AND SURPLUS	**55,433.30**	66,273.50

4 LONG-TERM BORROWINGS

₹ in Lakhs

Particulars	Non-Current Portion		Current Maturities	
	As at March 31, 2016	As at September 30, 2014	**As at March 31, 2016**	As at September 30, 2014
TERM LOANS				
From Banks (Secured)				
Indian Rupee loan				
Vehicle Loan - Refer Note No. 4 (i)	**7.72**	6.61	**6.47**	4.19
Corporate Loans - Refer Note No. 4 (ii) & 4 (iii)	**8,935.70**	7,500.00	**1,500.00**	-
	8,943.42	7,506.61	**1,506.47**	4.19
Amount disclosed under the head 'Other Current Liabilities' (Refer Note No. 10)	**-**	-	**1,506.47**	4.19
NET AMOUNT	**8,943.42**	7,506.61	**-**	-

NOTES TO FINANCIAL STATEMENTS FOR 18 MONTHS PERIOD ENDED MARCH 31, 2016

4 (i) Vehicle Loan from ICICI Bank

Particulars	Amount of Loan (₹ in Lakhs)	Rate of Interest	Instalment amount (₹ in Lakhs)	No. of Outstanding Instalments	Period of Maturity from Balance Sheet date
Vehicle Loan - Secured by vehicle bought under loan and repayable in 60 Equated monthly instalments of ₹ 0.43 Lakhs and interest @ 10.82% p.a	20.00	10.82 %	0.43	11	11 Months
Vehicle Loan - Secured by vehicle bought under loan and repayable in 48 Equated monthly instalments of ₹ 0.26 Lakhs and interest @ 11% p.a	10.02	11%	0.26	47	47 Months

4 (ii) Corporate Loan of ₹ 7500 Lakhs (₹ 4000 Lakhs from State Bank of India and ₹ 3500 Lakhs from Bank of India) at an interest rate of 12.50 % is secured by:

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

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

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

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

Particulars	No. of months	No. of instalments	Amount (₹ in Lakhs)
April 2016- Mar 2017	12	₹ 375 Lakhs * 4 Qtrs	1,500.00
April 2017- Mar 2018	12	₹ 375 Lakhs * 4 Qtrs	1,500.00
April 2018- Mar 2019	12	₹ 375 Lakhs * 4 Qtrs	1,500.00
April 2019- Mar 2020	12	₹ 375 Lakhs * 4 Qtrs	1,500.00
April 2020- Sept 2021	6	₹ 375 Lakhs * 2 Qtrs	750.00
TOTAL	54		6,750.00

4 (iii) Corporate Loan of ₹ 3482 Lakhs (from IFCI Ltd.) at an interest rate of 13.85 % is secured by:

(a) Exclusive charge on Flat No. 3 and 40 of Walchand Terraces, Tardeo Road, Mumbai and Unit 2B of Industry Manor, Prabhadevi Mumbai.

(b) Exclusive pledge of 40 lakhs equity shares of Walchandnagar Industries Ltd.

The said loan is repayable in 12 equal quarterly instalments starting from December 2017 onwards.

Particulars	No. of months	No. of instalments	Amount (₹ in Lakhs)
Oct 2017- Mar 2018	6	₹ 290.17 Lakhs * 2 Qtrs	580.34
April 2018- Mar 2019	12	₹ 290.17 Lakhs * 4 Qtrs	1,160.68
April 2019- Mar 2020	12	₹ 290.17 Lakhs * 4 Qtrs	1,160.68
April 2020- Sep 2020	6	₹ 290.17 Lakhs * 2 Qtrs	580.30
TOTAL	36		3,482.00

NOTES TO FINANCIAL STATEMENTS FOR 18 MONTHS PERIOD ENDED MARCH 31, 2016

5 DEFERRED TAX ASSET / (LIABILITY) (NET)

₹ in Lakhs

Particulars	As at March 31, 2016	As at September 30, 2014
Deferred Tax Liability:		
Fixed Assets: Impact of difference between tax depreciation and book depreciation/ amortisation	**706.59**	706.59
Gross Deferred Tax Liability	**706.59**	706.59
Deferred Tax Asset:		
Unabsorbed business loss	**2,013.21**	2,013.21
Gratuity	**146.85**	146.85
Others	**447.54**	447.54
Gross Deferred Tax Asset	**2,607.60**	2,607.60
Net Deferred Tax Asset / (Liability)[*]	**1,901.01**	1,901.01

[*] The Company has recognised Deferred Tax Asset considering unabsorbed losses/ unabsorbed depreciation upto September 30, 2013 which will be realised against future taxable income on the basis of confirmed work orders.

6 OTHER LONG TERM LIABILITIES

₹ in Lakhs

Particulars	As at March 31, 2016	As at September 30, 2014
Advance From Customers	**4,279.86**	8,137.33
Others	**692.89**	412.09
TOTAL	**4,972.75**	8,549.42

7 LONG TERM PROVISIONS

₹ in Lakhs

Particulars	Long Term		Short Term	
	As at March 31, 2016	As at September 30, 2014	As at March 31, 2016	As at September 30, 2014
Provision for Employee Benefits:				
a) Provision for Leave Encashment (Refer Note No. 32)	**144.27**	125.98	**48.09**	41.70
b) Provision for Gratuity (Refer Note No. 32)	**664.31**	430.18	**295.59**	161.56
Provision for Equity Dividend	**-**	-	**-**	152.28
Provision for Tax on proposed Equity Dividend	-	-	-	30.45
TOTAL	**808.58**	556.16	**343.68**	385.99

NOTES TO FINANCIAL STATEMENTS FOR 18 MONTHS PERIOD ENDED MARCH 31, 2016

8 SHORT-TERM BORROWINGS

₹ in Lakhs

Particulars	As at March 31, 2016	As at September 30, 2014
a) FROM BANKS - SECURED:		
HEAVY ENGINEERING DIVISION, WALCHANDNAGAR		
1) Buyers' Credit Loan	**397.00**	895.34
(Under Line of Credit facility)		
2) Working Capital Loans	**22,287.34**	19,499.89
(The facilities mentioned at (1) & (2) above are secured by mortgage of residential flat in Mumbai, specified land and building and by way of charge on all movable plant and machinery, fixtures, implements, fittings, furniture, current assets (both present & future) including stock-in-trade, raw material, semi-finished and finished products, stores and spares, book debts, tools and accessories and other movables of and pertaining to Heavy Engineering Division at Walchandnagar.)		
3) Working Capital Loan	**4,499.67**	4,499.67
(Secured by the mortgage of immovable property in Mahim, Mumbai)		
FOUNDRY DIVISION, SATARA ROAD	**1,007.73**	866.37
(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.)		
	28,191.74	25,761.27
b) FROM BANKS - UNSECURED:		
Working Capital Loans	**1,414.75**	1,758.01
c) INTERCORPORATE DEPOSITS FROM RELATED PARTIES - UNSECURED (REFER NOTE NO.-30)	**400.00**	-
TOTAL	**30,006.49**	27,519.28

9. TRADE PAYABLES

₹ in Lakhs

Particulars	As at March 31, 2016	As at September 30, 2014
Due to Micro, Small and Medium Enterprises[*]	**574.03**	1,073.70
Others	**9,281.94**	19,488.44
TOTAL	**9,855.97**	20,562.14
[*] The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the company is as under:		
(a) (i) Principal amount remaining unpaid to any supplier	**519.78**	1,053.89
(ii) Interest due on above	**54.25**	19.81
(b) Amount of interest accrued and due as at March 31, 2016	**54.25**	19.81
(c) Total Outstanding dues to Micro, Small and Medium Enterprises.	**574.03**	1,073.70
(The above details have been given to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the Auditors)		

NOTES TO FINANCIAL STATEMENTS FOR 18 MONTHS PERIOD ENDED MARCH 31, 2016

10 OTHER CURRENT LIABILITIES

₹ in Lakhs

Particulars	As at March 31, 2016	As at September 30, 2014
Current Maturities of Long-Term Borrowings (Refer Note No. 4)	**1,506.47**	4.19
Unclaimed dividend	**52.01**	54.97
Advance against orders and customers' credit balances	**18,618.51**	20,573.08
Employee Dues	**870.97**	918.32
Statutory Dues	**460.39**	458.51
Provision for Expenses / Others	**6,199.48**	4,835.59
Dues to Customers relating to contracts in progress (Refer Note No. 18.1)	**995.03**	2,546.63
TOTAL	**28,702.86**	29,391.29

NOTES TO FINANCIAL STATEMENTS FOR 18 MONTHS PERIOD ENDED MARCH 31, 2016

11. FIXED ASSETS

₹ in Lakhs

Particulars		Gross Block					Depreciation / Amortization						Net Block	
		Cost/ Book Value as at 1-October-14	Additions during 18 months	Deductions / Adjustments[**]	Additions due to Revaluation	**Cost / Book Value as at 31-March-16**	Depreciation / Amortization as at 1-October-14	Depreciation / Amortization for 18 months	Dep. Transferred to Reserve and surplus (@)	Deductions / Adjustments	Additions due to Revaluation	**Depreciation / Amortization as at 31-Mar-16**	**Net book value as at 31-Mar-16**	Net book value as at 30-Sep-14
TANGIBLE ASSETS														
1.	a) Land (Free Hold)[#]	13,779.98	-	-	-	**13,779.98**	-	-	-	-	-	**-**	**13,779.98**	13,779.98
	b) Lease Hold Land	1,359.38	260.76	-	-	**1,620.14**	71.73	48.17	-	-	-	**119.90**	**1,500.24**	1,287.65
2.	Buildings[*]	43,390.39	24.85	-	-	**43,415.24**	17,733.24	1,539.46	92.44	-	-	**19,365.14**	**24,050.10**	25,657.15
3.	Plant and Machinery	41,074.67	914.76	390.90	-	**41,598.53**	21,021.62	4,535.48	176.95	379.26	-	**25,354.79**	**16,243.74**	20,053.05
4.	Furnitures, Fixtures and Electrical Fittings	1,541.13	13.38	-	-	**1,554.51**	1,285.61	128.10	12.97	-	-	**1,426.68**	**127.83**	255.52
5.	Office Equipments	725.68	5.29	14.82	-	**716.15**	492.27	65.89	110.47	14.52	-	**654.11**	**62.04**	233.41
6.	Vehicles	635.85	14.71	75.86	-	**574.70**	492.80	77.07	1.04	68.92	-	**501.99**	**72.71**	143.05
	Total (A)	102,507.08	1,233.75	481.58	-	**103,259.25**	41,097.27	6,394.17	393.87	462.70	-	**47,422.61**	**55,836.64**	61,409.81
	INTANGIBLE ASSETS													
7.	Patents	11.05	-	-	-	**11.05**	11.05	-	-	-	-	**11.05**	**-**	-
8.	Software	1,428.20	139.06	-	-	**1,567.26**	1,302.72	128.15	-	-	-	**1,430.87**	**136.39**	125.48
9.	Technical Knowhow	805.68	-	-	-	**805.68**	637.20	96.12	-	-	-	**733.32**	**72.36**	168.47
	Total (B)	2,244.93	139.06	-	-	**2,383.99**	1,950.97	224.27	-	-	-	**2,175.24**	**208.75**	293.95
	Total (A)+(B)	104,752.01	1,372.81	481.58	-	**105,643.24**	43,048.24	6,618.44	393.87	462.70	-	**49,597.85**	**56,045.39**	61,703.76
	Previous Year	102,934.56	2,052.36	234.91	-	104,752.01	39,108.93	3,995.33	-	56.02	-	43,048.24	61,703.76	28,849.25
	Capital Work-in-Progress												**56.12**	438.96
	Intangible Assets under Development												**-**	-

[#] Includes certain land at Walchandnagar, costing ₹ 0.08 lakhs, acquired in earlier years by the State Government for which compensation of ₹ 281 Lakhs (Net) has been awarded. However as the matter is in appeal in the Supreme Court, the award has not been accounted as sale.

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

[**] Deductions in tangible assets includes deletion on account of foreign exchange flactuation capitalised NIL (previous year ₹ 22.07 Lakhs).

[@] Pursuant to Provisions of Companies Act , 2013 (the Act), becoming effective from 01/04/2014 , the company has adopted the Specified Useful Life of its Fixed Assets as per Schedule II to the Act w.e.f. October 01, 2014. Accordingly, the unamortized carrying value is being depreciated/ amortized over the revised / remaining useful lives. This has resulted in additional charge of depreciation of ₹ 707.16 Lakhs for the 18 months period ended 31st March, 2016. Further as per transitional provision, the written down values of fixed assets whose lives have expired as at October 01, 2014 have been adjusted in the opening balance of profit and loss account.

NOTES TO FINANCIAL STATEMENTS FOR 18 MONTHS PERIOD ENDED MARCH 31, 2016

12 NON CURRENT INVESTMENTS (AT COST)

₹ in Lakhs

Particulars	As at March 31, 2016	As at September 30, 2014
INVESTMENT IN EQUITY INSTRUMENTS - QUOTED		
Nil (Previous year 1,29,900 equity shares of ₹ 2 each) in Housing Development Finance Corporation Limited	-	507.70
600 (Previous year 600) equity shares of ₹ 10 each in Bombay Cycle & Motor Agency Ltd.	**0.10**	0.10
2500 (Previous year 2500) equity shares of ₹ 2 each in HDFC Bank Ltd.	**0.05**	0.05
60,000 (Previous year 12,000 shares face value of ₹10 each) equity shares of ₹ 2 each in Bank of Baroda	**10.36**	10.36
Sub-Total (A)	**10.51**	518.21
INVESTMENT IN EQUITY INSTRUMENTS - UNQUOTED		
2 (Previous year 2) equity shares of ₹ 50 each in Maharashtra State Co-operative Bank Limited	**0.01**	0.01
100 (Previous year 100) equity shares of ₹ 100 each in Shushrusha Citizens Co-operative Hospital Limited	**0.10**	0.10
100 (Previous year 100) equity shares of ₹ 25 each in Cooper Employee's Consumers Co-operative Society Limited	**0.02**	0.02
10 (Previous year 10) equity shares of ₹ 50 each in Walchand Co-operative Housing Society Limited	**0.01**	0.01
481 (Previous year 481) equity shares of ₹ 100 each in Walchand Foundries Private Limited	**0.48**	0.48
1,04,250 (Previous Year 1,04,250) Equity Shares of ₹ 10 each in Actis Biologics Private Limited	**102.66**	102.66
Less: Provision for diminution	**(101.62)**	(101.62)
Net Value	**1.04**	1.04
Sub-Total (B)	**1.66**	1.66
TOTAL (A)+(B)	**12.17**	519.87
Aggregate Value of Quoted Investments		
- At cost	**10.51**	518.21
- Market Value	**123.24**	1,509.06
Aggregate Value of Unquoted Investments		
Book Value and/ or at cost	**103.28**	103.28
Aggregate Provision for Diminution in the Value of Investments	**101.62**	101.62

13 LOANS AND ADVANCES

₹ in Lakhs

	Non Current		Current	
Particulars	**As at March 31, 2016**	As at September 30, 2014	**As at March 31, 2016**	As at September 30, 2014
CAPITAL ADVANCES				
Unsecured, considered good	**14.81**	190.97	-	-
SECURITY DEPOSIT				
Unsecured, considered good	**300.85**	312.80	-	-
ADVANCES RECOVERABLE IN CASH OR IN KIND				
Unsecured, considered good	**0.66**	0.66	**3,159.41**	8,559.79

NOTES TO FINANCIAL STATEMENTS FOR 18 MONTHS PERIOD ENDED MARCH 31, 2016

₹ in Lakhs

Particulars	Non Current		Current	
	As at March 31, 2016	As at September 30, 2014	**As at March 31, 2016**	As at September 30, 2014
Other loans and advances	**-**		**226.01**	-
Unsecured, considered doubtful	**38.06**	17.60	**-**	-
Less: Provision for doubtful advance	**38.06**	17.60	-	-
Sub-Total	**0.66**	0.66	**3,385.42**	8,559.79
OTHER LOANS AND ADVANCES				
Advance Income Tax (net of tax provision)	**2,105.82**	1,799.72	**-**	-
Balances with Statutory/Government authorities				
Service Tax and input receivable	**-**	-	**597.18**	569.55
Excise/ Input Credit Receivable	**-**	-	**1,237.90**	1,887.57
Vat input receivable	**-**	-	**1,574.68**	1,575.74
Octroi duty Receivable	**-**	-	**23.47**	40.79
Others	**-**	-	**-**	275.65
Sub-Total	**2,105.82**	1,799.72	**3,433.23**	4,349.30
TOTAL	**2,422.14**	2,304.15	**6,818.65**	12,909.09

14 TRADE RECEIVABLES AND OTHER ASSETS

₹ in Lakhs

14.1 TRADE RECEIVABLES

Particulars	Non Current		Current	
	As at March 31, 2016	As at September 30, 2014	**As at March 31, 2016**	As at September 30, 2014
Trade receivable outstanding for a period less than six months from the date they are due for payment				
Unsecured, considered good (Includes retention money of ₹ 22,972 lakhs (Previous year ₹ 21,368 Lakhs)	**-**	-	**32,915.11**	35,293.46
Sub-Total (A)	**-**	-	**32,915.11**	35,293.46
Trade receivable outstanding for a period more than six months from the date they are due for payment				
Unsecured, considered good [Refer Note and Note No. 34(a)(j)]	**659.89**	1,154.07	**6,704.20**	5,176.38
Unsecured, considered doubtful	**2,525.94**	1,970.12	**1,708.69**	207.63
Sub-Total	**3,185.83**	3,124.19	**8,412.89**	5,384.01
Less: Provision for Doubtful Debts	**2,525.94**	1,970.12	**1,708.69**	207.63
Sub-Total (B)	**659.89**	1,154.07	**6,704.20**	5,176.38
TOTAL (A)+(B)	**659.89**	1,154.07	**39,619.31**	40,469.84

Note-The trade receivables considered good includes ₹ 847.50 lakhs (Previous year ₹ 921.27 Lakhs) from parties against whom the company has initiated legal / arbitration proceedings. Pending the ultimate outcome of these cases, which is presently unascertained, no provision has been made in respect of these dues.

NOTES TO FINANCIAL STATEMENTS FOR 18 MONTHS PERIOD ENDED MARCH 31, 2016

₹ in Lakhs

14.2 OTHER ASSETS	Non Current		Current	
Particulars	**As at March 31, 2016**	As at September 30, 2014	**As at March 31, 2016**	As at September 30, 2014
Non-Current Bank Balances (Refer Note No. 17)	**137.00**	137.00	**-**	-
Other Current Assets	**-**	-	**1,751.12**	1,556.03
TOTAL	**137.00**	137.00	**1,751.12**	1,556.03

15 CURRENT INVESTMENTS

₹ in Lakhs

Particulars	**As at March 31, 2016**	As at September 30, 2014
Mutual funds, Fully paid-up		
SBI Premier Liquid Fund - Regular Plan - Growth (Previous year 61,097.39 units at ₹ 2061.19 per unit)	**-**	1,259.34
HDFC Cash Management Fund - Savings Plan - Growth (Previous 24,30,967.34 units at ₹ 27.74 per unit)	**-**	674.35
4000 (Previous year Nil) equity shares of ₹ 2 each in Housing Development Finance Corporation Limited	**15.63**	-
TOTAL	**15.63**	1,933.69
Market value of quoted investments	**44.22**	1,966.22

16 INVENTORIES

₹ in Lakhs

Particulars	**As at March 31, 2016**	As at September 30, 2014
Raw Materials and Components	**5,236.08**	7,163.38
Stores and Spares	**1,399.36**	1,285.92
Dies, Jigs, Tools Moulds & Patterns	**454.23**	758.00
Work-in-Progress (*)	**14,787.33**	18,097.58
Finished Products	**118.76**	138.89
Finished Goods-in-Transit	**4.99**	31.97
TOTAL	**22,000.75**	27,475.74

(*) Inventory includes ₹ 2567.69 Lakhs in respect of orders which have been cancelled/ put on hold. Based on the valuation report of the independent valuer, the Company is of the opinion that no provision is required to be made as on 31st March, 2016 and this stock will be either liquidated/diverted to other projects.

NOTES TO FINANCIAL STATEMENTS FOR 18 MONTHS PERIOD ENDED MARCH 31, 2016

17 CASH AND BANK BALANCES

₹ in Lakhs

	Particulars	Non Current		Current	
		As at March 31, 2016	As at September 30, 2014	**As at March 31, 2016**	As at September 30, 2014
(a)	Balances with Banks				
	On Current accounts				
	i) in Indian Rupees	**-**	-	**1,945.25**	4,268.57
	ii) in Foreign Currency	**-**	-	**42.28**	135.59
	Deposits	**-**	-	**415.49**	135.61
	On unpaid dividend account	**-**	-	**52.01**	54.97
(b)	Cheques/ Drafts-on-hand	**-**	-	**-**	57.52
(c)	Cash-on-hand	**-**	-	**19.87**	33.31
(d)	Margin money deposit	**137.00**	137.00	**1.71**	-
	Amount disclosed under Non-Current Assets (Refer Note No. 14.2)	**(137.00)**	(137.00)	-	-
	TOTAL	**-**	-	**2,476.61**	4,685.57

18 REVENUE FROM OPERATIONS

₹ in Lakhs

	Particulars	**For 18 months period ended March 31, 2016**	For the year ended September 30, 2014
(a)	Sale of Products	**38,480.78**	22,441.96
(b)	Contract Revenue	**23,393.39**	35,833.27
	Add: Closing Contracts-in-progress	**4,917.63**	1,770.38
	Less: Opening Contracts-in-progress	**1,770.38**	-
		26,540.64	37,603.65
(c)	Erection, Job work and Services	**17,117.75**	4,660.95
(d)	Other Operating Revenues	**564.69**	1,057.18
	TOTAL	**82,703.86**	65,763.74

18.1 DISCLOSURES PURSUANT TO ACCOUNTING STANDARD 7 - CONSTRUCTIONS CONTRACTS

₹ in Lakhs

Particulars	**For 18 months period ended March 31, 2016**	For the year ended September 30, 2014
Contract Revenue recognized during the year	**26,540.64**	37,603.65
Aggregate amount of contract cost incurred and recognised profits (less recognised losses) during the year	**26,540.64**	37,603.65
Customer advances outstanding for contracts in progress	**12,652.22**	9,957.00

NOTES TO FINANCIAL STATEMENTS FOR 18 MONTHS PERIOD ENDED MARCH 31, 2016

₹ in Lakhs

Particulars	For 18 months period ended March 31, 2016	For the year ended September 30, 2014
Retention money due from customers for contracts in progress	**19,518.85**	3,068.00
Gross amount due from customers for contract work (presented as Contracts-in-progress)	**5,912.66**	4,317.01
Gross amount due to customers for contract work (presented as Dues to Customers relating to Contracts in progress under Other Current Liabilities - Refer Note No. 10)	**995.03**	2,546.63

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

Particulars		For 18 months period ended March 31, 2016	For the year ended September 30, 2014
(a)	Sugar Mill Machinery	**15,477.83**	5,088.40
(b)	High speed Centrifugals	**1,832.33**	866.78
(c)	Gear Boxes	**3,326.38**	2,587.95
(d)	Special Products	**16,754.21**	13,473.59
(e)	Water Tube Boilers	**8,303.53**	8,566.35
(f)	Cement Making Plant	**4,611.64**	9,947.15
(g)	Mineral Processing	**46.99**	15.07
(h)	Castings	**6,902.77**	4,898.78
(i)	Pressure Guages	**2,142.87**	1,168.85
(j)	Erection, Jobwork, Services	**17,101.87**	14,382.62
(k)	Contracts-in-progress (Net)	**3,147.25**	1,770.38
	TOTAL	**79,647.67**	62,765.92

18.3 OTHER OPERATING REVENUE

₹ in Lakhs

Particulars		For 18 months period ended March 31, 2016	For the year ended September 30, 2014
(a)	Export Drawback	**239.97**	192.83
(b)	Sale Of Scrap	**194.63**	376.19
(c)	Other Export Incentives	**130.09**	488.15
	TOTAL	**564.69**	1057.17

NOTES TO FINANCIAL STATEMENTS FOR 18 MONTHS PERIOD ENDED MARCH 31, 2016

19 OTHER INCOME

₹ in Lakhs

Particulars		For 18 months period ended March 31, 2016	For the year ended September 30, 2014
(a)	Interest Income	**35.27**	37.18
(b)	Dividend	**21.63**	29.72
(c)	Rent	**20.54**	30.02
(d)	Occupation fees	**6.15**	3.63
(e)	Profit on sale of Investments	**174.26**	88.53
(f)	Profit on sale of Fixed Assets	**21.04**	324.29
(g)	Recovery of Bad Debts written off in earlier years	**-**	1.80
(h)	Provision no longer required, written back	**27.37**	86.37
(i)	Miscellaneous Income	**49.29**	90.41
(j)	Sundry Creditors Written Back	**168.86**	93.02
	TOTAL	**524.41**	784.97

20 COST OF MATERIALS CONSUMED

₹ in Lakhs

Particulars		For 18 months period ended March 31, 2016	For the year ended September 30, 2014
(A)	**Raw Materials consumed**		
(a)	Plates, Sheets, Beams & Steel Materials	**1,456.93**	913.39
(b)	Steel Scrap	**3,581.58**	1,593.33
(c)	Castings	**3,939.54**	2,672.02
(d)	Pig Iron	**149.47**	143.60
(e)	Ferro Alloys	**61.75**	392.74
(f)	Bought out Components etc.	**25,539.41**	23,668.05
(g)	Material Consumed at Sites	**148.43**	123.52
		34,877.11	29,506.65
(B)	**Stores and Spares consumed**	**2,228.01**	2,041.40
	TOTAL	**37,105.12**	31,548.05

NOTES TO FINANCIAL STATEMENTS FOR 18 MONTHS PERIOD ENDED MARCH 31, 2016

20.1 PARTICULARS OF RAW MATERIALS CONSUMED

₹ in Lakhs

Particulars	For 18 months period ended March 31, 2016		For the year ended September 30, 2014	
	₹ in Lakhs	%	₹ in Lakhs	%
Imported	**878.56**	**2.52**	761.89	2.58
Indigenous	**33,998.55**	**97.48**	28,744.76	97.42
TOTAL	**34,877.11**	**100.00**	29,506.65	100.00

20.2 PARTICULARS OF STORES & SPARES CONSUMED

₹ in Lakhs

Particulars	For 18 months period ended March 31, 2016		For the year ended September 30, 2014	
	₹ in Lakhs	%	₹ in Lakhs	%
Imported	**100.44**	**4.51**	145.62	7.13
Indigenous	**2,127.57**	**95.49**	1,895.78	92.87
TOTAL	**2,228.01**	**100.00**	2,041.40	100.00

21 SUB-CONTRACTING EXPENSES, PROCESSING CHARGES AND OTHER DIRECT COSTS

₹ in Lakhs

Particulars	For 18 months period ended March 31, 2016	For the year ended September 30, 2014
(a) Sub-contracting Expenses and Processing Charges	**8,714.20**	11,909.70
(b) Forwarding, Selling and Service	**2,559.28**	2,460.88
TOTAL	**11,273.48**	14,370.58

22 CHANGES IN INVENTORIES OF FINISHED GOODS & WORK-IN-PROGRESS

₹ in Lakhs

Particulars	For 18 months period ended March 31, 2016	For the year ended September 30, 2014
Stock at close:		
(a) Finished Products	**118.76**	138.89
(b) Work-in-Progress	**14,787.33**	18,097.58
(c) Finished Goods in Transit	**4.99**	31.97
SUB-TOTAL (A)	**14,911.08**	18,268.44

NOTES TO FINANCIAL STATEMENTS FOR 18 MONTHS PERIOD ENDED MARCH 31, 2016

₹ in Lakhs

Particulars		For 18 months period ended March 31, 2016	For the year ended September 30, 2014
Stock at Commencement:			
(a) Finished Products		**138.89**	28.55
(b) Work-in-Progress		**18,097.58**	18,182.92
(c) Finished Goods in Transit		**31.97**	21.25
	SUB-TOTAL (B)	**18,268.44**	18,232.72
	TOTAL (B) - (A)	**3,357.36**	(35.72)

23 EMPLOYEES BENEFITS EXPENSES

₹ in Lakhs

Particulars		For 18 months period ended March 31, 2016	For the year ended September 30, 2014
(a) Salaries, Wages, Bonus		**12,169.67**	8,572.96
(b) Contribution to Provident Fund, Gratuity and Other Funds		**1,290.99**	644.73
(c) Staff Welfare Expenses		**121.92**	25.50
	TOTAL	**13,582.58**	9,243.19

24 FINANCE COST

Interest Expenses:			
(i) Term Loans		**2,441.21**	638.27
(ii) Working Capital Loans		**4,367.38**	2,346.31
(iii) Others		**158.35**	312.25
Other Borrowing Costs		**2,011.15**	1,502.06
	TOTAL	**8,978.09**	4,798.89

25 DEPRECIATION AND AMORTISATION EXPENSES

Depreciation and amortisation		**6,618.44**	3,995.33
Less: Transferred from Revaluation Reserve		**3,234.49**	2,269.84
	TOTAL	**3,383.95**	1,725.49

26 OTHER EXPENSES

(a) Power and Fuel		**1,681.26**	1,119.01
(b) Repairs & Maintenance:			
(i) Buildings		**43.06**	63.97
(ii) Machinery		**170.94**	99.98
(iii) Other Assets		**260.78**	240.03
(c) Rent		**557.08**	350.23
(d) Rates and taxes		**240.09**	284.34
(e) Insurance		**542.61**	372.74
(f) Travelling and Conveyance		**610.16**	602.47
(g) Legal and Professional Fees		**1,017.67**	642.90
(h) Bank Charges		**92.91**	118.85
(i) Electricity Charges		**177.10**	140.26
(j) Site Office Expenses		**579.25**	442.38

NOTES TO FINANCIAL STATEMENTS FOR 18 MONTHS PERIOD ENDED MARCH 31, 2016

₹ in Lakhs

	Particulars	For 18 months period ended March 31, 2016	For the year ended September 30, 2014
	(k) Telephone, Postage, Printing Expenses	**182.14**	188.43
	(l) Administrative and Other Expenses	**1,424.57**	1,098.24
	(m) BG Invocation	**46.39**	-
	(n) Prior Period Expenses	**25.01**	-
	(o) Selling Commission	**54.77**	534.30
	(p) Bad debts written-off	**20.37**	16.26
	(q) Provision for Doubtful debts	**947.76**	644.45
	(r) Donations	**0.44**	-
	(s) Royalty and Patent fee	**-**	85.19
	(t) Loss on Sale of Assets	**13.88**	0.01
	TOTAL	**8,688.24**	7,044.04
26.1	**PAYMENT TO AUDITORS (EXCLUDING SERVICE TAX)**		
	Administrative and other expenses includes payment made to auditor as under:		
	(a) Audit Fees	**10.00**	10.00
	(b) Taxation, Limited Review, Company Law matters and Others	**27.50**	15.00
	(c) In Other Capacity	**-**	1.25
	(d) Reimbursement of out of pocket expenses	**0.90**	1.52
	TOTAL	**38.40**	27.77
26.2	**EARNINGS IN FOREIGN CURRENCY**		
	Export of goods calculated on FOB basis	**13,599.84**	7,868.91
	Others	**834.97**	637.30
	Overseas Site - Ethiopia	**-**	32.99
	Overseas Site - Zambia	**0.07**	169.77
	TOTAL	**14,434.88**	8,708.97
26.3	**VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF**		
	Raw Materials	**860.21**	1,750.74
	Components & Spare parts	**100.44**	62.45
	TOTAL	**960.65**	1,813.19
26.4	**EXPENDITURE IN FOREIGN CURRENCY**		
	Technical fees (net of Tax)	**0.43**	-
	Travelling expenses	**66.37**	111.15
	Commission and Others	**90.81**	204.25
	Overseas Site - Ethiopia	**750.12**	742.97
	Overseas Site - Zambia	**19.85**	41.29
	TOTAL	**927.58**	1,099.66

NOTES TO FINANCIAL STATEMENTS FOR 18 MONTHS PERIOD ENDED MARCH 31, 2016

₹ in Lakhs

27	EXCEPTIONAL ITEMS Particulars	For 18 months period ended March 31, 2016	For the year ended September 30, 2014
	Profit on Sale of Non-current Investment (Net of expenses incurred on sale) Sale of 1,25,900 shares of HDFC Limited (Previous year 4,73,600 shares of HDFC Ltd.)	**925.33**	2,445.36
	Provision against Liquidated damages (1)	**(1,055.11)**	-
	Provision against long outstanding sundry debtors (2)	**(137.81)**	
	Provision against advance to suppliers (3)	**(389.12)**	-
	Provision against Stock lying with third parties (4)	**(354.38)**	-
	TOTAL	**(1,011.09)**	2,445.36

(1) The Company has made a provision for claims related to liquidated damages imposed by the customers upto the financial year ended 31st March, 2014 as per the policy adopted by the Company on liquidated damages. However in the opinion of the Management the delays are not completely attributable to it and has submitted waiver applications and shall continue to pursue the same for waiver.

(2) The Company has made a provision for certain old balances outstanding in respect of sundry Debtors. However Management shall continue to pursue to recover the same.

(3) The Company has made a provision for certain old balances outstanding in respect of advances to suppliers. However Management shall continue to pursue to recover the same.

(4) The Company has made a provision on account of stock lying with the Sub contractors. However Management shall continue to pursue to get back the stock lying with the sub contractors.

28 The Income Tax liability provided during the current period denotes additional estimated income tax liability in respect of earlier years as a result of order under section 245 D(4) of the Income Tax Act.

29 EARNINGS PER SHARE (BASIC AND DILUTED)

₹ in Lakhs

	Particulars	For 18 months period ended March 31, 2016	For the year ended September 30, 2014
i)	Net Profit/ (Loss) after Tax as per Statement of Profit and loss attributable to Equity Shareholders	**(7,168.45)**	(1,236.63)
ii)	Weighted average no of equity shares of ₹ 2 Each outstanding during the year	**38,070,205**	38,070,205
iii)	Earning per Share of face value of ₹ 2 each	**(18.83)**	(3.25)

30 RELATED PARTY DISCLOSURES

Related party disclosures as required under Accounting Standard 18 (Related Party Disclosures), specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 are given below:

(i) Individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise and relatives of any such individual:

Name of the individual	:	Designation / Relation
Mr. Chakor L. Doshi	:	Chairman
Mrs. Champa C. Doshi	:	Wife

Mr. Chirag C. Doshi	:	Son
Mrs. Kanika G. Sanger	:	Daughter
Mrs. Tanaz Chirag Doshi	:	Daughter-in-law

(ii) Key Management personnel and relatives:

Name of the individual	:	Designation / Relation
Mr. G. K. Pillai	:	Managing Director & CEO
Mr. Chirag C. Doshi	:	Managing Director
Mr. G. S. Agrawal	:	Vice President (Legal & Taxation) & Company Secretary
Mr. Hiren Buch	:	Chief Financial Officer (upto 5th March, 2016)

(iii) Enterprises over which any person described in (i) or (ii) above are able to exercise significant influence:

Bombay Cycle & Motor Agency Ltd. (BCMA)
Walchand Great Achievers Pvt. Ltd.
Walchand Kamdhenu Commercials Pvt. Ltd.
Walchand Chiranika Trading Pvt. Ltd.
Chakor Doshi HUF
Chirag Doshi HUF
Chiranika Enterprises
Chiranika Corporation
Chiranika Properties
Walchand Botanicals Pvt. Ltd.
Rodin Holdings Inc.
Walchand Ventures LLP
Olsson Holdings Inc.
Vinod Shashank Chakor Pvt. Ltd.
Chirag Enterprises
Walchand Engineers Pvt. Ltd.
Walchand Projects Pvt. Ltd.
Walchand Power Systems Pvt. Ltd.
Walchand Oil & Gas Pvt. Ltd.
Walchand Leisure Realty Pvt. Ltd.
Walchand BMH Pvt. Ltd.
Walchand Solar Pvt. Ltd.
Trust Finlease Pvt. Ltd.

Details of transactions relating to the individuals / enterprises referred to in item (i), (ii) and (iii) above are as follows. The same are in the ordinary course of business.

₹ in Lakhs

Particulars	**Individuals mentioned in (i) above**	**Key Management Personnel as mentioned in (ii) above**	**Relatives of Key Management Personnel as mentioned in (ii) above**	**Enterprises mentioned in (iii) above**	**Total**
	Current Year	**Current Year**	**Current Year**	**Current Year**	**Current Year**
	Previous Year	Previous Year	Previous Year	Previous Year	Previous Year
Receiving of Services					
Mrs. Champa C. Doshi	**-**	**-**	**30.99**	**-**	**30.99**
	-	-	21.47	-	21.47
Mrs. Tanaz C. Doshi	**-**	**-**	**29.21**	**-**	**29.21**
	-	-	20.11	-	20.11
Mr. Chakor L. Doshi	**134.40**	**-**	**-**	**-**	**134.40**
	131.47	-	-	-	131.47
Mr. Chakor L. Doshi (Director Fees)	**8.50**	**-**	**-**	**-**	**8.50**
	3.40	-	-	-	3.40

NOTES TO FINANCIAL STATEMENTS FOR 18 MONTHS PERIOD ENDED MARCH 31, 2016

₹ in Lakhs

Particulars	Individuals mentioned in (i) above	Key Management Personnel as mentioned in (ii) above	Relatives of Key Management Personnel as mentioned in (ii) above	Enterprises mentioned in (iii) above	Total
	Current Year	**Current Year**	**Current Year**	**Current Year**	**Current Year**
	Previous Year	Previous Year	Previous Year	Previous Year	Previous Year
M/s. Bombay Cycle & Motor Agency Ltd.	**-**	**-**	**-**	**107.74**	**107.74**
	-	-	-	97.17	97.17
Sub-Total	**142.90**	**-**	**60.20**	**107.74**	**310.84**
	134.87	-	41.58	97.17	273.62
Interest on ICD					
M/s. Walchand Great Achievers Pvt. Ltd.	**-**	**-**	**-**	**0.28**	**0.28**
	-	-	-	-	-
M/s. Walchand Kamdhenu Commercials Pvt. Ltd.	**-**	**-**	**-**	**0.20**	**0.20**
	-	-	-	-	-
M/s. Walchand Chiranika Trading Pvt. Ltd.	**-**	**-**	**-**	**0.09**	**0.09**
	-	-	-	-	-
Sub-Total	**-**	**-**	**-**	**0.57**	**0.57**
	-	-	-	-	-
Managerial Remuneration					
Mr. Chirag C. Doshi	**-**	**152.93**	**-**	**-**	**152.93**
	-	96.04	-	-	96.04
Mr. G. K. Pillai	**-**	**165.34**	**-**	**-**	**165.34**
	-	99.44	-	-	99.44
Sub-Total	**-**	**318.27**	**-**	**-**	**318.27**
	-	195.48	-	-	195.48
Leasing or Hire Purchase Arrangements					
Mr. Chirag C. Doshi (HUF)	**-**	**-**	**-**	**3.01**	**3.01**
	-	-	-	5.34	5.34
Mrs. Kanika G. Sanger	**-**	**-**	**16.67**	**-**	**16.67**
	-	-	10.61	-	10.61
Mr. Chakor L. Doshi	**11.91**	**-**	**-**	**-**	**11.91**
	7.69	-	-	-	7.69
Mr. Chakor L Doshi (HUF)	**-**	**-**	**-**	**3.87**	**3.87**
	-	-	-	3.42	3.42
M/s. Walchand Great Achievers Pvt. Ltd.	**-**	**-**	**-**	**2.90**	**2.90**
	-	-	-	2.57	2.57
M/s. Bombay Cycle & Motor Agency Ltd.	**-**	**-**	**-**	**35.44**	**35.44**
	-	-	-	-	-
M/s. Walchand Chiranika Trading Pvt. Ltd.	**-**	**-**	**-**	**0.54**	**0.54**
	-	-	-	0.36	0.36
Sub-Total	**11.91**	**-**	**16.67**	**45.76**	**74.34**
	7.69	-	10.61	11.69	29.99

₹ in Lakhs

Particulars	Individuals mentioned in (i) above	Key Management Personnel as mentioned in (ii) above	Relatives of Key Management Personnel as mentioned in (ii) above	Enterprises mentioned in (iii) above	Total
	Current Year	**Current Year**	**Current Year**	**Current Year**	**Current Year**
	Previous Year	Previous Year	Previous Year	Previous Year	Previous Year
Inter-Corporate Deposits					
M/s. Walchand Great Achievers Pvt. Ltd.	**-**	**-**	**-**	**199.00**	**199.00**
	-	-	-	-	-
M/s. Walchand Kamdhenu Commercials Pvt. Ltd.	**-**	**-**	**-**	**140.00**	**140.00**
	-	-	-	-	-
M/s. Walchand Chiranika Trading Pvt. Ltd.	**-**	**-**	**-**	**61.00**	**61.00**
	-	-	-	-	-
Sub-Total	**-**	**-**	**-**	**400.00**	**400.00**
	-	-	-	-	-
Outstanding Payable					
Mr. Chakor L. Doshi	**60.77**	**-**	**-**	**-**	**60.77**
	56.52	-	-	-	56.52
M/s. Bombay Cycle & Motor Agency Ltd.	**-**	**-**	**-**	**78.89**	**78.89**
	-	-	-	20.11	20.11
M/s. Walchand Chiranika Trading Pvt. Ltd.	**-**	**-**	**-**	**0.18**	**0.18**
	-	-	-	0.09	0.09
Mr. Chirag C. Doshi (HUF)	**-**	**-**	**-**	**-**	**-**
	-	-	-	0.93	0.93
Mr. Chakor L. Doshi (HUF)	**-**	**-**	**-**	**1.09**	**1.09**
	-	-	-	0.44	0.44
M/s. Walchand Great Achievers Pvt. Ltd.	**-**	**-**	**-**	**1.10**	**1.10**
	-	-	-	0.33	0.33
Mrs. Kanika G. Sanger	**-**	**-**	**8.33**	**-**	**8.33**
	-	-	5.34	-	5.34
M/s. Walchand Kamdhenu Commercials Pvt. Ltd.	**-**	**-**	**-**	**0.20**	**0.20**
	-	-	-	-	-
Sub-Total	**60.77**	**-**	**8.33**	**81.46**	**150.56**
	56.52	-	5.34	21.90	83.76

31 REVALUATION RESERVE AND FIXED ASSETS

The Company has a practice of revaluing its certain assets at certain intervals. On the basis of valuation reports submitted by approved valuers, M/s. D. K. Nagarseth & Associates, certain fixed assets comprising of Land, Building and Plant and Machineries were further revalued at Market Value/ Current Replacement Costs as at September 30, 2013 as follows:

NOTES TO FINANCIAL STATEMENTS FOR 18 MONTHS PERIOD ENDED MARCH 31, 2016

₹ in Lakhs

Particulars	Cost/Book Value as at 30-Sep-13	Market Value / Replacement cost as at 30-Sep-13	Gross Amount Written up as at 30-Sep-13	Accumulated Depreciation on Value Written Up as at 30-Sep-13	Net Appreciation credited to Revaluation Reserve as on 30-Sep-13
Land	3,776.98	13,762.24	9,985.26	-	9,985.26
Buildings	23,961.35	43,450.35	19,489.00	3,676.85	15,812.15
Plant & Machinery	32,760.51	38,796.66	6,036.15	(3,819.92)	9,856.07
TOTAL	**60,498.84**	**96,009.25**	**35,510.41**	**(143.07)**	**35,653.48**

32 EMPLOYEE BENEFITS (REFER NOTE NO. 7)

The Disclosure in terms of Accounting Standard 15 (Revised) - Employee Benefits, notified under the Companies (Accounting Standards) Rules, read with rule 7 to the Companies (Accounts) Rules, 2014 in respect of Section 133 to the Companies Act, 2013, has been given on the basis of Actuarial Valuation Certificate for the period ended March 31, 2016 as below:

₹ in Lakhs

Sr. No.	Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
		18 months period ended March 31, 2016	Year ended 30th September 2014	**18 months period ended March 31, 2016**	Year ended 30th September 2014
I	Expense recognised in the statement of Profit and Loss				
(a)	Current Service Cost	**185.20**	115.42	**130.21**	85.77
(b)	Interest Cost	**170.12**	132.89	**21.96**	10.43
(c)	Actual return on plan assets	**(76.23)**	(101.07)	**NIL**	N.A.
(d)	Actuarial Loss/(Gain)	**(24.50)**	(20.76)	**(39.66)**	30.94
(e)	Total Expense recognized in the Statement of Profit and Loss	**254.59**	126.48	**112.51**	127.14
II	**Net Liability recognized in the Balance Sheet**				
(a)	Present Value Defined Benefit Obligation	**1,636.45**	1,615.58	**192.37**	167.68
(b)	Fair Value of Plan Assets	**676.55**	1,023.84	**NIL**	N.A.
(c)	Net Assets/(Liabilities)	**(959.90)**	(591.74)	**(192.37)**	(167.68)
III	**Change in Defined Benefit Obligation (DBO)**				
(a)	Present Value of Defined Benefit Obligation at the beginning of the period	**1,615.58**	1,661.14	**166.79**	130.36
(b)	Current Service Cost	**185.20**	115.42	**130.21**	85.77
(c)	Interest Cost	**170.12**	132.89	**21.96**	10.43
(d)	Actuarial Loss/(Gain)	**(24.50)**	(20.76)	**(39.66)**	30.94
(e)	Benefits Paid	**309.95**	273.11	**86.93**	90.71
(f)	Present Value of Defined Benefit Obligation at the year end	**1,636.45**	1,615.58	**192.37**	166.79
IV	**Change in the Fair Value of Plan Assets**				
(a)	Plan Assets at the beginning of the year	**1,023.85**	1,185.89	**NIL**	N.A.
(b)	Actual Return on Plan Assets	**76.23**	101.07	**N.A.**	N.A.

NOTES TO FINANCIAL STATEMENTS FOR 18 MONTHS PERIOD ENDED MARCH 31, 2016

₹ in Lakhs

Sr. No.	Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
		18 months period ended March 31, 2016	Year ended 30th September 2014	**18 months period ended March 31, 2016**	Year ended 30th September 2014
(c)	Actual Company Contributions	**12.00**	10.00	**N.A.**	N.A.
(d)	Benefits paid	**(435.53)**	(273.11)	**N.A.**	N.A.
(e)	Fair Value of Plan Assets	**676.55**	1,023.85	**NIL**	N.A.
V	**Actuarial Assumptions**				
(a)	Discount Rate (per annum)	**7.97%**	8.00%	**8.00%**	8.00%
(b)	Expected Rate of Return on Assets (per annum)	**8.80%**	8.52%	**N.A.**	N.A.
(c)	Rate of Increase in Compensation Levels (per annum)	**3.50%**	5.00%	**4.00%**	4.00%
(d)	Mortality Table	**Indian Assured Lives Mortality (2006-08) Ultimate**	Indian Assured Lives Mortality (2006-08) Ultimate	**Indian Assured Lives Mortality (2006-08) Ultimate**	N.A.

33 SEGMENT REPORTING

I. PRIMARY SEGMENTS

₹ in Lakhs

	Particulars	Heavy Engineering		Foundry and Machine Shop		Others		Total	
		2014-16	2013-14	**2014-16**	2013-14	**2014-16**	2013-14	**2014-16**	2013-14
		18 months	12 months	**18 months**	12 months	**18 months**	12 months	**18 months**	12 months
	Revenue:								
	Net Revenue	**72,208.68**	57,702.91	**6,147.35**	5,002.92	**1,990.48**	1,194.21	**80,346.51**	63,900.04
	Less: Inter-segment Revenue	**-**	-	**120.60**	62.65	**13.55**	14.29	**134.15**	76.94
		72,208.68	57,702.91	**6,026.75**	4,940.27	**1,976.93**	1,179.92	**80,212.36**	63,823.10
	Results:								
	Segment Result	**5,737.28**	2,050.89	**(1,229.29)**	(794.17)	**225.52**	15.78	**4,733.51**	1,272.50
	Unallocable Expenses							**1,623.41**	1,186.92
	Unallocable Income							**21.63**	409.32
	Operating Profit							**3,131.73**	494.90
	Finance Cost							**8,978.09**	4,798.89
	Profit from ordinary activities							**(5,846.36)**	(4,303.99)
	Add: Exceptional Items							**(1,011.09)**	2,445.36
	Profit Before Tax							**(6,857.45)**	(1,858.63)
	Taxes on Income							**311.00**	(622.00)
	Profit from ordinary activities							**(7,168.45)**	(1,236.63)

NOTES TO FINANCIAL STATEMENTS FOR 18 MONTHS PERIOD ENDED MARCH 31, 2016

₹ in Lakhs

	Particulars	Heavy Engineering		Foundry and Machine Shop		Others		Total	
		2014-16	2013-14	**2014-16**	2013-14	**2014-16**	2013-14	**2014-16**	2013-14
		18 months	12 months	**18 months**	12 months	**18 months**	12 months	**18 months**	12 months
	Other information:								
	Segment Assets	**120,761.99**	138,857.72	**6,290.57**	7,731.72	**4,333.19**	4,346.71	**131,385.75**	150,936.15
	(including revaluation)								
	Unallocated Corporate Assets							**8,442.70**	10,569.64
	Total Assets							**139,828.45**	161,505.79
	Segment Liabilities	**75,875.62**	86,979.72	**2,971.13**	2,383.74	**236.36**	228.51	**79,083.11**	89,591.97
	Unallocated Corporate Liabilities							4,550.63	4,878.92
	Total Liabilities							**83,633.74**	94,470.89
	Capital Expenditure	**1,353.15**	396.35	**11.32**	51.04	**3.24**	2.52	**1,367.71**	449.91
	Unallocated Capital Expenditure							**-**	-
								1,367.71	449.91
	Depreciation	**2,977.72**	1,503.09	**300.98**	105.65	**15.17**	12.46	**3,293.87**	1,621.20
	(Net of Revaluation)								
	Unallocated Depreciation							**90.08**	104.29
	Total Depreciation							**3,383.95**	1,725.49
	Non Cash Expenses (other than depreciation)								
	Allocated Non Cash Expenses	**968.13**	925.02					**968.13**	925.02
	Unallocated Non Cash Expenses							**-**	-
	Total Non Cash Expenses							**968.13**	925.02

II. SECONDARY SEGMENTS

₹ in Lakhs

	Particulars	Heavy Engineering		Foundry and Machine Shop		Others		Total	
		2014-16	2013-14	**2014-16**	2013-14	**2014-16**	2013-14	**2014-16**	2013-14
		18 months	12 months	**18 months**	12 months	**18 months**	12 months	**18 months**	12 months
	External Revenue by Location of Customers							**14,944.07**	9,029.04
	Total Carrying Amount of Segment Assets							**9,958.56**	9,578.21
	(to the extent allocable)								
	Capital expenditure							**42.39**	48.35

NOTES TO FINANCIAL STATEMENTS FOR 18 MONTHS PERIOD ENDED MARCH 31, 2016

34 CONTINGENT LIABILITIES AND COMMITMENTS ₹ in Lakhs

(a) Claims against the company not acknowledged as debt

(a) Demand of Non Agricultural (NA) Tax of ₹ 161.37 lakhs is raised by Tahshildar, Indapur (Previous year ₹ 161.37 lakhs) out of which ₹ 20 lakhs is paid under protest by the company. No provision has been made in the accounts as the company has not accepted the liability and the matter is sub-judice.

(b) Demand on account of fixation of Annual Rateable Value of Property at Pune, amounting to ₹ 325.07 lakhs (for the period 1.4.2008 to 31.3.2012) was raised by the local authorities (Previous year ₹ 325.07 lakhs). No provision has been made in the books of accounts. The Company has not accepted the liability and the same is sub-judice.

(c) The Central Excise Authorities have raised a demand of ₹ 266.19 lakhs (Previous Year ₹ 266.19 lakhs) (Net of CENVAT Reversal and Payment) denying the exemption from the excise duty on non-conventional energy devices/ systems supplied by the Company. The Company has disputed the demand and has preferred an appeal which is pending before CESTAT, Mumbai. On the basis of legal opinion, the Company does not accept any liability.

(d) The Central Excise Authorities have raised a demand of ₹ 82.73 lakhs (Previous Year ₹ 82.73 lakhs) on bought out items supplied for Centrifugals, which has already suffered duty at manufacturers' end. The Company has disputed the demand and has preferred an appeal which is pending before the Supreme court. Company has discharged a liability of ₹ 29.45 lakhs by reversal of CENVAT availed and paid ₹ 10 lakhs under protest (included under the head loans and advances). On the basis of legal opinion, the Company does not expect any liability.

(e) The sales Tax Authority, Maharashtra has raised demand of ₹ 159.83 lakhs (Previous Year ₹ 159.83 lakhs) as per section 6(2) of the Central Sales Tax Act,1956. The Company has 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). On the basis of legal opinion the Company does not expect any liability.

(f) Service Tax demand of ₹ 362.65 lakhs on sale of bought out items has been raised by the concerned authorities. The company has discharged liability of ₹ 28.76 lakhs by way of CENVAT reversal under protest and has preferred an appeal which is pending before the CESTAT.

(g) Company has received a demand of ₹ 50.68 lakhs from Employee's Provident Fund office (previous year ₹ 50.68 lakhs). The company has contested the demand raised, and filled a writ petition with Mumbai High Court. No provision is being made against the same based on the legal advise.

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

(i) The Central Excise Authorities have raised demand of ₹ 2.47 lakhs (Previous Year ₹ 2.47 Lakhs) on bought out items supplier for centrifugals, which has already suffered duty at manufacturers end. The company had disputed demand of ₹ 2.47 lakhs before CESTAT against order passed by Commissioner (Appeals). The Stay order has been granted and ₹ 0.50 lakhs paid as ordered by CESTAT.

(j) Certain customers of the Company have deducted Liquidated Damages amounting to ₹ 620.09 lakhs during the current period from 1/4/2014 to 31/3/2016 due to delays in supplies/ services. The Company contends that the delays are not attributable to it and has submitted the waiver applications to these parties. Based on past experience, the Company is confident of getting these Liquidated Damages waived. (Refer note 14.1).

NOTES TO FINANCIAL STATEMENTS FOR 18 MONTHS PERIOD ENDED MARCH 31, 2016

₹ in Lakhs

		As at March 31, 2016	As at September 30, 2014
(b)	**Guarantees**		
	Counter Guarantees by the company in respect of guarantees given by banks (including guarantee on account of erstwhile Machine Tool Division of ₹ 3.55 lakhs)	**29,349.62**	29,103.18
(c)	**Commitments**		
	Estimated amount of Contracts remaining to be executed on Capital Accounts not provided for (Net of advance)	**311.28**	608.50

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable. The Company does not expect the outcome of these proceedings to have materially adverse effect.

35 After the Companies Act 2013 coming in to force, the company has changed the accounting year ending from September to March. As a result the current accounting year comprises of a period of eighteen months ending 31st March, 2016, therefore the figures for the current accounting period are not comparable with the previous accounting year which is comprising of 12 months.

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

As per our report attached

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

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

Chakor L. Doshi
Chairman

Satish K. Kelkar
Partner
Membership No: 38934

Chirag C. Doshi
Managing Director

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

Dilip J. Thakkar
Director

Date : 24.05.2016
Place : Mumbai

Date : 24.05.2016
Place : Mumbai

WALCHANDNAGAR

1908-2008

Important Statistical Data from 1908-09 to 2014-2016

₹ in Lakhs

Year	Paid up Capital		Reserves & Surplus	Debentures	Fixed Assets		Sales	Net Profit	Dividend paid on Pref. and Equity Shares	Equity Dividend
	Equity	Preference			Gross Block	Net Block				
1908-1909	2.50	2.83	–	–	3.50	3.50	10.14	0.28	0.93	4%
1909-1910	2.50	3.48	–	–	3.81	3.70	2.06	0.53	0.37	5%
1910-1911	2.50	3.50	–	–	4.08	3.95	2.11	0.71	0.39	6%
1911-1912	2.50	3.50	–	–	4.45	4.28	1.60	0.25	0.39	6%
1912-1913	2.50	3.50	–	–	4.34	4.18	1.58	0.34	0.24	–
1913-1914	2.50	3.50	–	–	4.88	3.90	2.71	1.10	0.39	6%
1914-1915	2.50	3.50	0.25	6.00	5.29	3.82	1.98	0.46	0.34	4%
1915-1916	2.50	3.50	0.25	5.75	5.17	3.60	2.35	0.82	0.34	4%
1916-1917	2.50	3.50	0.39	5.50	5.16	3.41	2.62	1.10	0.39	6%
1917-1918	2.50	3.50	0.64	5.25	5.33	3.34	1.97	0.40	0.24	–
1918-1919	2.50	3.50	0.64	4.75	5.31	2.88	2.03	0.44	0.12	–
1919-1920	2.50	3.50	0.64	4.75	5.31	2.88	2.03	0.44	0.12	–
1920-1921	2.50	3.50	0.91	4.50	5.61	3.27	3.53	1.56	0.64	6%
1921-1922	2.50	3.50	1.21	4.25	5.97	3.17	5.56	3.12	0.92	20%
1922-1923	2.50	3.50	2.16	4.00	6.11	3.01	3.32	1.32	0.42	7%
1923-1924	2.50	3.50	2.95	3.75	6.33	3.03	3.14	1.11	0.42	7%
1924-1925	2.50	3.50	3.27	3.50	5.98	2.19	3.42	1.17	0.48	8%
1925-1926	2.50	3.50	3.42	3.25	6.12	1.76	2.68	1.04	0.48	8%
1926-1927	2.50	3.50	3.41	–	6.60	1.96	1.85	0.47	0.24	–
1927-1928	2.50	3.50	3.76	–	6.75	1.94	1.27	0.23	0.24	–
1928-1929	2.50	3.50	3.75	–	6.89	2.08	0.55	0.02	–	–
1929-1930	2.50	3.50	3.38	–	6.16	1.61	0.14	–1.11	0.49	–
1930-1931	2.50	3.50	1.92	–	6.21	1.72	0.25	–0.01	0.24	–
1931-1932	2.50	3.50	1.97	–	5.86	1.37	0.32	–0.24	0.24	–
1932-1933	2.50	3.50	1.83	–	5.80	1.31	0.26	–0.01	0.24	–
1933-1934	2.50	3.50	2.01	4.00	13.37	8.88	0.07	–0.08	0.24	–
1934-1935	2.50	3.50	1.86	4.00	16.68	11.19	0.70	–0.12	0.24	–
1935-1936	2.50	3.50	1.06	4.00	17.19	17.19	1.38	0.01	0.24	–
1936-1937	2.50	3.50	1.09	3.67	19.16	19.16	15.66	0.26	–	–
1937-1938	2.50	3.50	1.57	3.20	19.74	19.49	19,67	0.73	0.53	–
1938-1939	10.00	3.50	3.99	3.03	22.89	15.19	20.55	3.14	2.24	20%
1939-1940	10.00	3.50	8.46	2.82	44.51	33.81	31.15	8.24	2.42	20%
1940-1941	10.00	3.50	12.56	23.22	51.11	36.66	54.61	6.52	2.82	24%
1941-1942	10.00	3.50	13.33	30.02	64.79	45.89	39.88	3.58	2.82	24%
1942-1943	10.00	3.50	25.87	30.02	71.09	47.94	54.89	15.38	4.02	36%
1943-1944	10.00	3.50	44.30	30.00	77.01	49.36	83.32	22.42	4.02	36%
1944-1945	23.50	3.50	51.72	48.26	83.19	51.54	78.12	14.13	6.45	36%
1945-1946	23.50	3.50	80.06	50.00	92.20	56.55	85.98	5.72	5.36	21%
1946-1947	50.50	3.50	51.68	50.00	107.09	66.94	75.50	0.70	0.24	–
1947-1948	101.00	3.50	28.27	50.00	128.27	78.12	151.55	40.07	10.47	10%
1948-1949	101.00	3.50	36.60	50.00	135.46	75.37	133.24	10.44	17.92	17.5%
1949-1950	101.00	3.50	33.62	50.00	157.64	89.23	147.72	14.72	12.36	12%
1950-1951	101.00	3.50	45.50	45.00	165.03	86.81	185.38	23.48	14.38	14%
1951-1952	101.00	3.50	59.20	45.00	177.67	91.12	216.26	25.52	14.38	14%

Important Statistical Data from 1908-09 to 2014-2016 (Contd.)

₹ in Lakhs

Year	Paid up Capital		Reserves & Surplus	Debentures	Fixed Assets		Sales	Net Profit	Dividend paid on Pref. and Equity Shares	Equity Dividend
	Equity	Preference			Gross Block	Net Block				
1952-1953	101.00	3.50	68.09	45.00	185.81	89.24	190.50	23.03	14.38	14%
1953-1954	101.00	3.50	79.40	45.00	190.33	85.90	196.24	25.47	16.40	16%
1954-1955	101.00	3.50	91.72	45.00	204.70	89.38	189.72	27.95	18.42	18%
1955-1956	101.00	3.50	110.22	25.76	228.81	129.62	214.63	33.00	21.46	21%
1956-1957	101.00	3.50	128.00	25.00	271.48	165.02	246.90	38.98	21.46	21%
1957-1958	101.00	3.50	122.12	25.00	295.28	177.60	354.05	27.96	21.46	21%
1958-1959	101.00	50.00	125.94	25.00	347.35	218.28	403.17	19.01	23.97	20%
1959-1960	101.00	50.00	135.33	100.00	426.90	280.79	390.72	19.92	20.15	15%
1960-1961	150.94	50.00	135.11	100.00	460.83	277.21	402.82	16.34	22.04	15%
1961-1962	151.49	50.00	128.43	100.00	498.28	288.76	538.39	14.38	23.12	12%
1962-1963	151.50	50.00	162.44	100.00	510.73	274.82	575.63	25.34	23.18	12%
1963-1964	151.50	50.00	72.36	100.00	520.54	268.37	550.69	30.21	26.21	14%
1964-1965	151.50	50.00	188.12	75.00	535.57	270.25	463.39	19.72	26.21	14%
1965-1966	151.50	50.00	226.65	75.00	592.61	354.43	510.47	16.76	23.18	12%
1966-1967	181.80	50.00	203.15	75.00	624.84	357.01	559.21	10.33	23.18	10%
1967-1968	181.80	50.00	238.75	75.00	850.16	357.03	788.52	50.72	26.82	12%
1968-1969	181.80	50.00	231.56	75.00	667.18	342.72	1041.56	16.38	23.18	10%
1969-1970	181.80	50.00	110.85	75.00	714.09	392.12	1074.80	–95.32	–	–
1970-1971	181.80	50.00	182.61	75.00	729.20	379.12	997.74	7.17*	–	–
1971-1972	181.80	50.00	208.36	75.00	762.77	335.97	1300.06	64.47	10.00	–
1972-1973	181.80	50.00	306.46	75.00	801.21	333.03	1649.72	86.62	31.62	12%
1973-1974	181.80	50.00	331.70	75.00	873.04	357.31	2184.57	48.71	19.00	7.70%
1974-1975	181.80	50.00	393.41	75.00	959.60	395.57	2453.00	58.15	26.82	12%
1975-1976	181.80	50.00	423.49	75.00	1058.21	423.44	2421.71	96.07	32.27	15%
1976-1977	182.98	50.00	423.04	73.82	1081.47	379.54	1970.06	40.83	32.33	15%
1977-1978	200.30	50.00	572.12	98.79	1772.72	1017.81	3615.05	195.77	33.75	15%
1978-1979	200.30	50.00	808.57	98.79	1920.74	1087.31	5031.11	263.06	37.05	16%
1979-1980	200.30	50.00	898.16	94.13	2131.56	1189.78	5572.98	121.30	37.05	16%
1980-1981	200.30	50.00	1104.94	69.46	2307.98	1248.17	5958.51	203.11	37.05	16%
1981-1982	200.30	50.00	1175.52	54.75	2441.32	1260.11	5754.26	111.63	41.05	18%
1982-1984 (18 Months)	300.45	50.00	**5401.27	40.14	11118.29	@5446.17	12715.01	230.15	79.61	24%
1984-1985	300.45	50.00	4735.39	20.00	11233.15	5169.87	10763.79	125.64	53.07	16%
1985-1986	300.45	50.00	**4833.16	20.00	$12388.57	$$6322.02	9132.83	797.64*	–	–
1986-1987 (18 Months)	300.45	50.00	3538.79	20.00	10104.10	4915.55	10720.82	288.05*	–	–
1987-1988	300.45	50.00	3425.37	20.00	10074.99	4874.42	6140.79	0.94*	–	–
1988-1989	300.45	50.00	2819.95	20.00	9319.14	4306.41	7595.22	16.14*	–	–
1989-1990	300.45	50.00	**5647.33	20.00	(i)12893.64	(ii)6995.49	7129.48	35.57*	–	–
1990-1991	300.45	50.00	5132.30	20.00	13003.87	6094.85	8892.12	202.29	***68.55	12%
1991-1992	300.45	50.00	**11174.24	8.00	(iii)20403.10	(iv)11308.30	8871.05	849.60	65.09	20%
1992-1993	300.45	–	1059.55	–	20399.72	10203.16	9214.26	516.21	63.37	20%
1993-1994	300.45	–	10363.94	–	20423.66	9283.57	11361.56	705.72	60.09	20%
1994-1995	300.45	–	10677.14	–	20746.33	8636.18	16492.32	1195.74	75.11	25%

WALCHANDNAGAR

Important Statistical Data from 1908-09 to 2014-2016 (Contd.)

₹ in Lakhs

Year	Paid up Capital		Reserves & Surplus	Debentures	Fixed Assets		Sales	Net Profit	Dividend paid on Pref. and Equity Shares	Equity Dividend
	Equity	Preference			Gross Block	Net Block				
1995-1996	300.45	–	11283.01	–	21304.33	8306.83	18899.01	1452.15	82.62	27.5%
1996-1997	300.45	–	18822.30	–	(v)30470.60	(vi)15925.70	16600.58	979.22	82.62	27.5%
1997-1998	300.45	–	18291.16	–	30730.43	14650.54	17466.30	795.01	82.62	27.5%
1998-1999	300.45	–	17504.50	–	30983.72	13221.69	21006.70	738.52	90.14	30%
1999-2000	300.45	–	17089.64	–	31264.84	12037.02	22021.88	894.19	99.15	33%
2000-2001	300.45	–	14376.07	–	31466.54	10875.89	22883.70	-723.29	99.15	33%
2001-2002	300.45	–	21147.74	–	(vii)37089.76	17350.72	17951.34	249.73	75.11	25%
2002-2003	300.45	–	20255.68	–	37134.92	16059.72	15216.82	349.80	75.11	25%
2003-2004	300.45	–	19527.54	–	37438.77	15207.04	21618.25	398.72	82.62	27.5%
2004-2005	300.45	–	19297.32	–	38315.75	14945.35	25279.95	772.39	90.14	30%
2005-2006	300.45	–	19533.81	–	40188.42	15801.12	35855.63	1329.43	135.20	45%
2006-2007	300.45	–	21976.64	–	42849.96	17381.79	63279.94	3556.33	300.45	100%
2007-2008	760.90	–	41424.52	–	(viii)57879.57	31956.79	69604.31	3976.93	380.45	50%
2008-2009	761.40	–	41960.83	–	62639.64	34311.67	51261.53	2340.13	380.70	50%
2009-2010	761.40	–	40340.96	–	64902.96	33996.72	67237.11	2228.91	380.70	50%
2010-2011	761.40	–	39934.99	–	67521.53	33823.03	95767.35	1279.78	380.70	50%
2011-2012	761.40	–	39346.16	–	69030.04	32416.23	88147.09	1212.64	380.70	50%
2012-2013	761.40	–	69881.57	–	(ix) 104975.85	65866.93	72651.35	-3828.17	152.28	20%
2013-2014	761.40	–	66273.50	–	105190.97	62142.72	63823.10	-1236.63	152.28	20%
2014-2016	**761.40**	**–**	**55433.30**	**–**	**105699.36**	**56101.51**	**80212.36**	**-7168.45**	**–**	**–**

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.

WALCHANDNAGAR INDUSTRIES LTD.
CIN : L74999MH1908PLC000291
Regd. Office : 3, Walchand Terraces, Tardeo Road, Mumbai - 400 034. **Tel. :** 022-40287104 / 110 **Fax :** 022-23634527
Email : investors@walchand.com **Website :** www.walchand.com

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

DP Id*	Folio No.
Client Id*	No. of Shares held
Name and Address of the Shareholder	

I/We hereby record my/our presence at the **107th Annual General Meeting** of the Company held on Friday, August 12, 2016 at 04.00 p.m. at Walchand Hirachand Hall, IMC Building, 4th Floor, Churchgate, Mumbai – 400 020.

_____
Signature of Shareholder / Proxy

* Applicable for investors holding share(s) in electronic form.

E-VOTING PARTICULARS (Refer Point 's' of Notice of AGM for detailed instructions)

EVSN (Electronic Voting Sequence Number)	User ID	PAN / Sequence No.
160707008		

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Proxy form (Form No. MGT - 11)

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

WALCHANDNAGAR INDUSTRIES LTD.
CIN : L74999MH1908PLC000291
Regd. Office : 3, Walchand Terraces, Tardeo Road, Mumbai - 400 034.
Tel. : 022-40287104 / 110 **Fax :** 022-23634527
Email : investors@walchand.com **Website :** www.walchand.com

Name of the Member (s) :

Registered Address :

E-mail Id : Folio No/ Client Id :

DP Id : No. of shares held :

I/We, _____of _____being the member(s) of Walchandnagar Industries Ltd. hereby appoint

(1) Name: _____ Address: _____

E-mail Id: _____ Signature: _____ or failing him

(2) Name: _____ Address: _____

E-mail Id: _____ Signature: _____ or failing him

(3) Name: _____ Address: _____

E-mail Id: _____ Signature: _____

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as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **107th Annual General Meeting** of the Company, to be held on Friday, the 12th day of August, 2016 at 04:00 p.m. at Walchand Hirachand Hall, IMC Building, 4th Floor, Churchgate, Mumbai - 400 020 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No. and Matter of Resolution	**No. of Shares Held by me/us**	***For**	***Against**
Ordinary Business:			
1. To receive, consider and adopt the Audited Financial Statements for the period / financial year ended on March 31, 2016 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 107th Annual General Meeting and, being eligible, offers himself for re-appointment.			
3. Appointment of M/s. K. S. Aiyar & Co., Chartered Accountants, Mumbai as Auditors of the Company and fixing their remuneration.			
Special Business:			
4. 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 2017.			

Signed this _____ day of _____ 2016

Affix Revenue Stamp

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

Note:

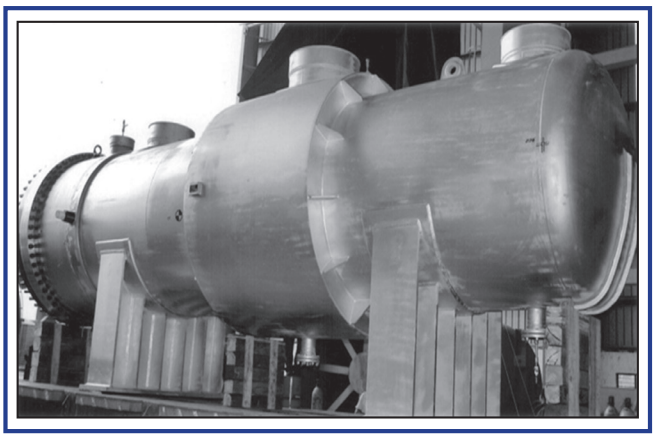
1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

*2) This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

3) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

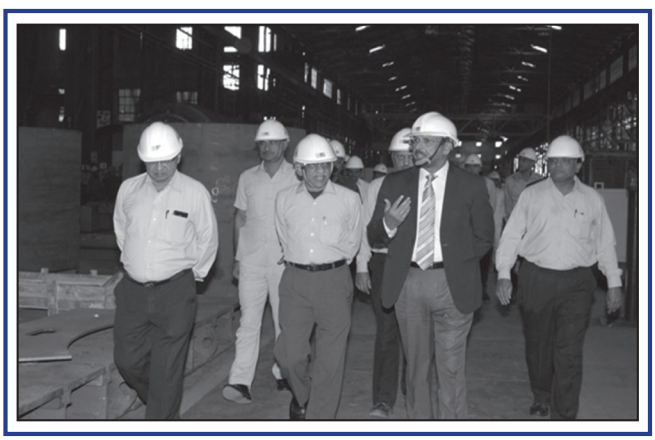
4) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

5) Please complete all details including details of member(s) in above box before submission.



Moderator Heat Exchanger (Nuclear Division) – Manufactured at Walchandnagar Works

Container Launcher (Defence Division) – Manufactured at Walchandnagar Works



Shri A.S. Kiran Kumar, Chairman ISRO on a visit to Walchandnagar Works

Dr. Tessy Thomas, Director Advanced System Laboratory being felicitated at Walchandnagar