

**WALCHANDNAGAR INDUSTRIES LIMITED**

Walchandnagar: 413 114, Dist Pune, Maharashtra, India

Tel: 02118- 307100 / 252 235 Fax: 02118- 252 358

Website: www.walchand.com Email: wil@walchand.com

Ref. No. : WIL:SEC:2021

Date : July 21, 2021

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  
**SCRIP CODE : WALCHANNAG**

BSE Ltd.  
Corporate Relations Department  
1st floor, New Trading Ring,  
Rotunda Bldg P.J. Tower,  
Mumbai 400 001.  
Fax:: 22723121/2039/2037  
**SCRIP CODE : 507410**

Dear Sir,

**Sub : Annual Report for the Financial Year 2020-2021 along with the Notice of the 112<sup>th</sup> Annual General Meeting of the Company to be held through Video Conferencing (VC) / Other Audio Visual Means (OAVM).**

Pursuant to the Regulations 30 and 34 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of the Company for the Financial Year 2020-2021 along with the Notice of the 112<sup>th</sup> Annual General Meeting of the Company scheduled to be held on Saturday, August 14, 2021 at 05.00 p.m. through Video Conferencing (VC) / Other Audio Visual Means (OAVM). The AGM will be held without the physical presence of the Shareholders at a common venue.

Further, in accordance with the MCA Circulars and said SEBI Circular, the Notice of the AGM along with the Annual Report is being sent only by electronic mode to those Shareholders whose email addresses are registered with the Company/ Depository Participants. The requirement of sending Physical copy of the Notices of the 112<sup>th</sup> AGM and Annual Report to the members have been dispensed with the MCA Circular/s and SEBI Circular. The Annual Report together with the Notice of the AGM is being sent through electronic mode to the Members today.

Full Annual Report is also available on the website of the Company [www.walchand.com](http://www.walchand.com)

Please take the same on record.

Thanking you,

Yours Faithfully,

**For Walchandnagar Industries Ltd.**

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

Encl.: As above

**112<sup>th</sup> ANNUAL REPORT**  
**2020 - 21**



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*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**



Chakor L. Doshi  
Chairman



Dilip J. Thakkar  
Director



Dr. Anil Kakodkar  
Director



Rupal Vora  
Director



G. K. Pillai  
Director



Chirag C. Doshi  
Managing Director & CEO

# Corporate Information

## Registered Office

Walchandnagar Industries Ltd.  
3, Walchand Terraces,  
Tardeo Road,  
Mumbai - 400 034  
Tel. No. (022) 23612195/96/97

## Pune Office

Walchandnagar Industries Limited  
Siddharth Towers,  
Building No. 1, 9<sup>th</sup> Floor,  
S.No.12/3-B, G. A. Kulkarni Path,  
Kothrud, Pune - 411 038, Maharashtra, India.  
Phone : (020) 3025 2400  
E-mail : investors@walchand.com

## Factories

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

## Compliance Officer

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

## Registrar & Share Transfer Agents

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

## Auditors

M/s. Jayesh Sanghrajka & Co. LLP.  
Chartered Accountants

## Principal Bankers

State Bank of India  
Bank of India

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## LETTER FROM THE CHAIRMAN



### Dear Members,

It is my pleasure to welcome you all to the 112<sup>th</sup> Annual General Meeting and present the Annual Report of your company. The year under consideration covers the period April 2020 to March 2021.

My sincere wishes that each of you is safe and well in these times. This last year was full of uncertainties, however, we were extremely focused to ensure the safety and wellbeing of all our employees amidst challenges for the operations. We have set up vaccination centres at our campuses across several locations to ensure our operations are not hindered, and all our employees and their families get vaccinated in the near future.

Our leadership team came together and focused on ensuring we were delivering our products as per customer requirements. Our cross-functional teams have brought the best of all our capabilities together by working in unison, to support and drive the digital transformation journey within the Organization. Your company ended FY 2020-21 with total revenue of INR 351 Crore. It is through the efforts of our team that we could increase our revenue by 9% compared to the previous year, even though the first quarter was badly affected due to COVID. WIL is confident to continue this momentum & have much-improved performances in the next fiscal years. For me, it is a matter of pride to see the commitment and dedication that our employees displayed during this year to serve our customers.

The year FY 20-21 was extremely unpredictable. Nonetheless, your Company was successful in booking orders to the magnitude of approximately INR 200 Cr to end the FY 2020-21 with a healthy order book of INR 762 Cr. As I look ahead, I am more optimistic than ever of the enormous opportunity ahead of us. With the opening up of the economy, WIL is well poised to book orders in its diversified sectors with a profitable mix.

We continue to be active in diversified sectors including our strategic Government businesses & our product businesses to have the desired balance between long gestation projects & our engineering products. We have successfully made an entry into manufacturing of Process Equipment for Chemical, Fertilizer and Steel Industries.

Human Resource Management has been at the forefront of our initiatives this year. We have focussed on the development of talent at all levels of hierarchy to build a line of leadership that is ready to take up higher responsibilities in the years to come. Our initiatives in digitization have enabled us to provide a learning experience for all our employees, even during the lockdown.

I am extremely grateful to our customers, the entire WIL team, board members, shareholders and all well-wishers, who have supported us with their trust and support through this most challenging year.

Thank You,

A handwritten signature in black ink, appearing to read 'Chakor L. Doshi'. The signature is fluid and cursive, with a horizontal line underneath.

**Chakor L. Doshi**

**Chairman**



## NOTICE

Notice is hereby given that the 112<sup>th</sup> Annual General Meeting of the members of Walchandnagar Industries Limited will be held on Saturday, August 14, 2021 at 05.00 p.m. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

### Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company as at March 31, 2021 together with the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. G. K. Pillai (DIN: 01537184) Director, who retires by rotation at 112<sup>th</sup> Annual General Meeting and, being eligible, offers himself for re-appointment.

### Special Business:

3. To avail the Professional Services of Mr. G. K. Pillai as Advisor / Consultant for a further period of One Year w.e.f. April 01, 2021 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a

#### Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 188, 197 and all other applicable provisions if any, of the Companies Act, 2013 and pursuant to the Rules notified there under, consent of the Members of the Company be and is hereby accorded to appoint Mr. G. K. Pillai, as Advisor / Consultant to the Company, for a further period of one year w.e.f. April 01, 2021 on payment of Consultancy Fee of Rs. 1,50,000/- per month plus expenses on traveling, lodging and boarding & reimbursement of incidental and out of pocket expenses on actual basis and reimbursement of GST, if applicable.

**RESOLVED FURTHER THAT** Mr. Chakor L. Doshi, Chairman of the Board be and is hereby authorized to finalize the detailed terms & conditions of Mr. G. K. Pillai's appointment as Advisor / Consultant to the Company.

**RESOLVED FURTHER THAT** Mr. G. S. Agrawal, Vice President (Legal & Taxation) & Company Secretary be and is hereby authorized to file the necessary Form, if any, with Ministry of Corporate Affairs.

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) the Company hereby ratifies and confirms the remuneration of Rs. 3,00,000 (Rupees Three Lacs Only) per annum plus GST as applicable and reimbursement of actual travel and out-of-pocket

expenses to M/s. S. R. Bhargave & Co., Cost Accountant, Pune (Regn. No.000218) the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the Financial Year ending March 2022.

**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: June 29, 2021

CIN: L74999MH1908PLC000291

Tel: 022 - 23612195 Fax: 022- 23634527

E-mail: investors@walchand.com

Website: www.walchand.com

### Notes:

- a) In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020, June 15, 2020, September 28, 2020, December 31, 2020 and January 13, 2021 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
- b) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship

- Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- c) In line with the MCA Circulars, the Notice calling the AGM has been uploaded on the website of the Company at [www.walchand.com](http://www.walchand.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- d) A Statement pursuant to Section 102 (1) of the Companies Act, 2013 ("Act"), relating to the Special Business under Item No. 3 and 4 mentioned above is annexed hereto.
- e) A statement giving additional details of Director seeking re-appointment as set out in Item no. 2 is annexed herewith as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- f) Pursuant to the provisions of the Companies Act, 2013 ("Act") a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- g) Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to [vndeodhar@gmail.com](mailto:vndeodhar@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- h) Members holding shares in Dematerialized Form are requested to intimate immediately any change in their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to M/s. Link Intime India Private Limited (LIPL) in case the shares are held by them in physical form.
- i) As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 01, 2019, except in case of request received for transmission or transposition of securities. Further, SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/ CIR/P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Link Intime India Private Limited ("LIPL") for assistance in this regard.
- j) In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
- k) Members who have not encashed their dividend warrants for the financial year ended September 30, 2014 may immediately approach the Company for revalidation of unclaimed warrants as the amount of dividend remaining unpaid for a period of 7 years shall be transferred to Investors Education & Protection Fund as per the provisions of Section 124 of the Companies Act, 2013. The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, members are requested to claim their dividends from the company within the stipulated timeline. The members, whose unclaimed dividends/ shares have been transferred to the Investors Education and Protection Fund (IEPF), may claim the same by making an online application to the IEPF authority in Form No. IEPF - 5 available on [www.iepf.gov.in](http://www.iepf.gov.in).
- l) Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 14, 2020 (date of last Annual General Meeting) on the website of the Company ([www.walchand.com](http://www.walchand.com)).
- m) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in dematerialized form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN to the Company / RTA.
- n) The Annual Report containing, inter- alia, Notice of the AGM, Audited Financial Statement, Board's Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Companies Act, 2013 read with the Rules made thereunder and the Listing Regulations facilitate the service of documents to members through electronic means. In compliance with the aforesaid MCA Circulars and SEBI Circular due, to COVID-19 pandemic, the Company have e-mailed the soft copies of the Annual Report to all those members whose e-mail ID's were available with its Registrar

- and Transfer Agent or Depositories and urged other members to register their e-mail ID's to receive the said communication. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website [www.walchand.com](http://www.walchand.com), websites of the stock exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and on the website of NSDL at <https://www.evoting.nsdl.com>.
- o) The Company has engaged the services of National Securities Depository Limited (NSDL) as the authorized agency for conducting of the e-AGM and providing e-voting facility.
- p) The attendance of the Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- q) SEBI vide its circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, with a view to protect the interest of the shareholders, has mandated to all the members who holds securities of the company in physical form, to furnish to the company/ its registrar and transfer agent, the details of their valid PAN and bank account. To support the SEBI's initiative, the Members are requested to furnish the details of PAN and bank account to the Registrar Link Intime India Private Ltd. / the Company, duly quoting their Folio number at the earliest.
- r) The letter and E-communication Registration Form is available on the website of the Company viz. [www.walchand.com](http://www.walchand.com).
- s) 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](http://www.walchand.com) under the section 'Investor Information'), if not sent earlier.
- t) 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.
- u) Relevant documents referred to in the accompanying Notice calling the AGM are available for inspection through electronic mode up to the date of the AGM. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, upon request will be available electronically for inspection by the members during the AGM. The certificate from the Statutory Auditors of the Company confirming the compliance of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 with respect to the Company's Employees Stock Option Scheme Plans will be available for inspection through electronic mode. Members seeking to inspect such documents can send an email to [investors@walchand.com](mailto:investors@walchand.com).
- v) Members desiring any information with regard to the annual accounts of the Company or any other matter to be placed at the AGM are requested to write to the Management at least 10 (Ten) days before the meeting i.e. on or before August 04, 2021 through email on [investors@walchand.com](mailto:investors@walchand.com). The same will be replied by the Company suitably.
- w) Mr. G. K. Pillai (DIN: 01537184) Director of the Company retire by rotation at the 112<sup>th</sup> Annual General Meeting and being eligible offer himself for re-appointment.
- The brief resume, nature of his expertise in specific functional areas, disclosure of relationships between Directors inter-se, 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**.
- x) Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
- y) Instructions for attending the e-AGM and e-voting are as follows:
- A. Voting through electronic means:**
- (i) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended from time to time), Secretarial Standards on General Meetings ("SS-2") issued by the ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs and the SEBI Circulars, the Company is providing facility of remote e-voting to its Members in respect of the Business to be transacted at the AGM. The facility of casting votes by a member using remote e-Voting system as well as voting on the day of the AGM will be provided by NSDL. The instructions for e-voting are given herein below.
- (ii) The remote e-voting period commences on Wednesday, August 11, 2021 at 9.00 A.M. and ends on Friday, August 13, 2021 at 5.00 P.M. During this period, Members holding shares either in physical form or in dematerialized form, as on Friday, August 06, 2021 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
- (iii) The Board of Directors has appointed Mr. V. N.

Deodhar of M/s. V. N. Deodhar & Co., Practicing Company Secretaries (Membership no. FCS 1880) as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.

- (iv) The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- (v) The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- (vi) Any person, holding shares in physical form and non-individual shareholders who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 1800 1020 990 and 1800 22 44 30 . In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company

after sending of the Notice and holding shares as of the cut-off date i.e. Friday, August 6, 2021 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

- (vii) The details of the process and manner for remote e-voting are explained herein below:

#### **How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

##### **Step 1: Access to NSDL e-Voting system**

#### **A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

**B) Login Method for evoting and joining the virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/ Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  8. Now, you will have to click on "Login" button.
  9. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
2. In case of any queries relating to e-voting, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (Ms. Soni Singh) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
3. In case of any grievances connected with facility for e-voting, please contact Ms. Pallavi Mhatre, Manager, NSDL, 4<sup>th</sup> Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013. Email: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

#### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [investors@walchand.com](mailto:investors@walchand.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [investors@walchand.com](mailto:investors@walchand.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. [Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.](#)
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

#### **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at least 10 (Ten) days before the meeting i.e. on or before August 04, 2021 on [investors@walchand.com](mailto:investors@walchand.com). The same will be replied by the company suitably.

**Other Instructions:**

- (i) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
- (ii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.walchand.com](http://www.walchand.com) and on the website of NSDL <https://www.evoting.nsdl.com> immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

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

**ITEM NO. 3**

In the last Annual General Meeting held on August 14, 2020 Mr. G. K. Pillai has been appointed as an Advisor / Consultant for a period of one year i.e. upto March 31, 2021.

As per the provisions of Section 197 of the Companies Act, 2013, the Nomination and Remuneration Committee has expressed their opinion that Mr. G. K. Pillai possesses the necessary qualification to render professional consultancy services. As per the provisions of Section 188 of the Companies Act, 2013 and as per Regulation 18 read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee of the Board of Directors of the Company approved the Consultancy Contract with Mr. G. K. Pillai at the Professional fees of Rs. 1,50,000/- per month plus expenses on travelling, lodging and boarding & reimbursement of incidental and out of pocket expenses on actual basis and reimbursement of GST.

Therefore, as per the recommendation and approval of Nomination and Remuneration Committee and Audit Committee, the Board of Directors approved the proposal, subject to the approval of the Shareholders, for availing the professional services of Mr. G. K. Pillai as Advisor/ Consultant for a further period of One year w.e.f. April 01, 2021.

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

**Name of the Related Party**

Mr. G. K. Pillai



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

None

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

Contract to render professional consultancy services; Rs. 1,50,000/- per month plus expenses on travelling, lodging and boarding & reimbursement of incidental and out of pocket expenses on actual basis and reimbursement of GST, if applicable.

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

Mr. G. K. Pillai, is an Alumnus of BITS Pilani in Engineering and have decades of experience in Heavy Engineering organization both in Public sector as well as Private sector including with Walchandnagar Industries Limited.

The Nomination & Remuneration Committee has recommended, and the Audit Committee and the Board of Directors have approved the consultancy contract with Mr. G. K. Pillai, subject to approval of Members.

The Shareholder in the AGM held on August 14, 2020 has approved the appointment of Mr. G K Pillai for a period of one year from April 01, 2020 to March 31, 2021

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

None of the Directors, key managerial personnel except Mr. G. K. Pillai is deemed to be concerned or interested, financially or otherwise in the proposed special resolution.

**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. Bhagave & Co., Cost Accountant, Pune (Regn. No. 000218), as Cost Auditors for conducting cost audit of the cost records of the Company for the Financial Year ending March 2022, at a remuneration of Rs. 3,00,000/- (Rupees Three Lakhs Only) per annum plus GST as applicable and reimbursement of actual travel and out of pocket expenses.

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

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item no. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for conducting the Audit of the cost records of the Company for the year ended March 31, 2022.

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.

**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: June 29, 2021

CIN: L74999MH1908PLC000291

Tel: 022 -23612195 Fax: 022- 23634527

E-mail: [investors@walchand.com](mailto:investors@walchand.com)

Website: [www.walchand.com](http://www.walchand.com)

**ANNEXURE A TO NOTICE****DETAILS OF THE DIRECTOR SEEKING RE-APPOINTMENT IN THE ENSUING ANNUAL GENERAL MEETING**

<b>Name of Director</b>	<b>Mr. G. K. Pillai</b>
Date of Birth	18.12.1951
Date of Appointment	25.11.2012
Expertise in specific functional areas	<p>He started his career with Instrumentation Ltd., a Government of India Enterprise in Kerala.</p> <p>After a successful career there for 21 years, he moved on to join a private sector Company M/s. Fisher Sanmar Ltd. as Vice President and rose to become its Chief Executive. He was selected to head HEC Ltd., as Chairman cum Managing Director.</p> <p>He anchored the turnaround of a sick PSU to a profitable company during his 5 year term.</p> <p>He joined Walchandnagar Industries Limited w.e.f. February 27, 2012 as Chief Operating Officer and was appointed as Managing Director &amp; C.E.O. w.e.f. November 25, 2012 and Retired on March 31, 2020 as Managing Director &amp; C.E.O.</p>
Qualifications	He is an alumnus of Birla Institute of Technology & Science (B.I.T.S.), Pilani
Shareholding in the Company (including HUF)	NIL
Directorship held in other public companies. (excluding foreign companies)	Steel and Industrial Forgings Limited
Membership / Chairmanship of Committees of other public companies (includes only Audit Committee & Stakeholders Relationship Committee)	NIL
Disclosure of Relationships between Director inter-se	NA

## DIRECTORS' REPORT

**To:**  
**The Members of**  
**Walchandnagar Industries Limited**

Your directors take pleasure in presenting the 112<sup>th</sup> Annual Report on the business and operations of your Company together with the Audited Financial Statements for the year ended March 31, 2021.

### 1. Financial Results:

The Company's financial performance, for the Year ended March 31, 2021 is summarized below:

	Year ended 31.03.2021	Year ended 31.03.2020
	₹ in Lakhs	₹ in Lakhs
<b>Income:</b>	<b>35,067</b>	31,822
Profit/(Loss) before Depreciation, Interest, Exceptional Item and Exchange currency fluctuations	<b>4,685</b>	4,780
Less: Interest	<b>7,905</b>	8,652
Depreciation	<b>2,297</b>	2,300
Exceptional Item	-	979
Profit/(Loss) before Exchange Currency –fluctuations	<b>(5,517)</b>	(7,150)
Less: Exchange Currency Fluctuation Loss /(Gain)	<b>208</b>	(604)
Profit/(Loss) before Tax	<b>(5,724)</b>	(6,546)
Less: Tax (Net)	-	-
Profit/(Loss) after Tax	<b>(5,724)</b>	(6,546)

### 2. COVID-19:

In the Financial Year 2020-21, spread of COVID-19 has severely impacted the economy around the globe. In our country, businesses were forced to close the operations for long periods of time due to lockdown declared by Govt. of India/ State Government. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses, resulting in an economic slowdown. For the Company, the focus shifted to ensure the health and well-being of all employees. Therefore, work from home directives was issued to all the staff members across all offices and manufacturing locations wherever possible.

Due to second wave of Covid since April, 2021 and lock down declared by the State Government, the business will have some negative impact in the first quarter of the current financial year 2021-22.

### 3. Financial Performance & Highlights:

During the year under review, the revenue for the Financial Year 2020-21 was ₹ 35,067 lakhs as against the previous financial year 2019-20 of ₹ 31,822 lakhs.

The consequences of the COVID-19 outbreak have adversely affected the supply chain, Production and logistics during lockdown period and therefore, Company's operating results have been negatively impacted. The Company had sales deferral of ₹ 5,646 lakhs and operating losses of ₹ 1,694 lakhs due to COVID-19 quantified till March 31, 2021. The adverse impact of COVID-19 Second Wave is continuing in the first quarter of the current FY 2021-22.

### 4. Current Period:

The orders on hand as on March 31, 2021 were at ₹ 755.48 crores as compared to ₹ 888 crores as on March 31, 2020.

### 5. Exports and Overseas Projects:

During the year under review, the Company achieved an export turnover of ₹ 7.31 crores as against ₹ 13.04 Crores, in the previous year. The export orders on hand as on March 31, 2021 are at ₹ 319.57 crores.

### 6. Dividend and Reserves:

During the Year under review your Company has suffered a (loss) after tax of ₹ 5,724 lakhs. Hence, no dividend is recommended for the Year ending March 31, 2021 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.

### 7. Subsidiary, Joint Ventures and Associate Companies:

As on March 31, 2021, your Company do not have any Subsidiary, Joint Venture or Associate Company. During the year under review, none of the Companies have become or ceased to be Company's Subsidiary, Joint Venture and Associate Company.

### 8. Extract of Annual Return:

Pursuant to Section 92(3) read with Section 134(3) (a) of the Act as amended, the Annual Return as on March 31, 2021 is available on the Company's website and the weblink for the same is <https://walchand.com/wp-content/uploads/2021/07/Annual-Return-2021.pdf>.

### 9. Management Discussion & Analysis:

Management Discussion and Analysis Report for the year under review as stipulated under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations) is enclosed as **Annexure 'A'** to this report.

### 10. Finance & Accounts:

#### (i) Fixed Deposits:

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

**(ii) Income Tax Assessments:**

Income tax assessment up to the Assessment Year 2017-18 has been completed and for Assessment Year 2018-19 it is under process as on 31/03/2021. Appeal proceedings before Commissioner of Income Tax (Appeals) for Assessment Year 2014-15 to Assessment Year 2016-17 were in progress during the F.Y. 2020-21.

**11. Human Resources Development:**

During the Financial Year 2020-21, as part of process improvement the HR Department upgraded various forms, formats and policies to match with the current business requirements. Also, as part of Health & Wellness, various awareness programmes were completed for the employees like Stress Management & Naturopathy session.

Further due to pandemic situation Employee Engagement activities were conducted online through Microsoft Teams like Women's Day, Bollywood Quiz, Cricket Quiz, Know your founder, Antakshari, etc. Also, HR has utilized Microsoft 365 services like SharePoint, Power Automate, Microsoft Forms, Power BI, etc. for automating process and increasing efficiency.

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

**12. 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, 2021 and of the loss for the Year ended on that date;
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the Directors have prepared the annual accounts on a going concern basis;
- v) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi) the Directors have devised proper systems to ensure

compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Based on the framework of Internal Financial Controls and compliance systems established and maintained by the Company with its inherent weaknesses, work performed by the Internal, Statutory and Secretarial Auditors including audit of Internal Financial Controls over financial reporting by Internal Auditors and the Statutory Auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's Internal Financial Controls were adequate and effective during the Year ended on March 31, 2021.

**13. Corporate Governance:**

Your Directors 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 the Securities and Exchange Board of India (SEBI). Your Company has obtained a certification from Jayesh Sanghrajka & Co. LLP, Chartered Accountants, Statutory Auditors, on compliance with Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Schedule V of the Listing Regulation. The Report of Corporate Governance along with Certificate from the auditors of the Company regarding compliance of conditions of corporate governance is enclosed as **Annexure 'B'** to this Report.

**14. 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 fulfill its corporate social commitments.

**Health Activities:**

Due to the outbreak of novel Coronavirus (COVID-19), the Company had handed over the Hospital situated at Walchandnagar to the Government to use as a quarantine center as well as an OPD for Covid Patients, which has benefitted more than 2000 patients. Further, Company has set up camps for conducting Antigen and RTPCR test for Employees and their families in Walchandnagar. Further, Company has provided vaccination to around 800 number of employees and family members in Walchandnagar. Further, for spreading awareness related to the pandemic a vehicle is on continuous patrolling in

the colony as well as the market area of Walchandnagar. Further, Blood Donation Camp was organized at our Instrumentation Division, Dharwad on 20.02.2021.

**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 3779 children. During the academic year 2020-21, in Shree Wardhman Vidyalaya & Jr. College total 2465 students were studying out of which 1187 were Girls and 1278 were Boys. Whereas, in Bharat Children's Academy & Jr. College, Walchandnagar total 1314 students were studying out of which 763 were boys and 551 were girls.

**Environment:**

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

During the year, Company inaugurated AYEES (Parwatakka & Radhakka) Medicinal plant Garden on 20-08-2020 in Instrumentation Division, Dharwad.

The CSR Policy is available on the website of the Company and the link for the same is <https://walchand.com/wpcontent/uploads/2020/04/CSR-Policy.pdf>

**15. 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 enclosed as **Annexure 'C'** to this Report.

**16. Personnel:**

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

**17. Directors and Key Managerial Personnel:**

**1) Independent Directors:**

**a) Declaration by Independent Directors:**

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 and Regulation 16 (1) of Listing Regulations (including any statutory modification(s) or re – enactment(s) thereof for the time being in force).

**2) Retirement by rotation:**

Pursuant to Article 86 of the Articles of Association of the Company and Section 152 of the Companies Act, 2013, Mr. G. K. Pillai is due to retire by rotation at the 112<sup>th</sup> Annual General Meeting and being eligible, have offered himself for re-appointment.

Brief profile of the proposed appointees 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.

**18. Number of Meetings of the Board:**

The Board met six (6) times during the year from April 01, 2020 to March 31, 2021 viz. on April 17, 2020; June 26, 2020; August 14, 2020; November 10, 2020; February 10, 2021 and March 23, 2021 through Video Conferencing.

**19. 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.

- Ø 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).
- Ø 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).
- Ø Nomination & Remuneration Committee which comprises of two Independent Directors i.e. Dr. Anil Kakodkar (Chairman of Committee), Mr. Dilip J. Thakkar (Member) and Chairman, Mr. Chakor L. Doshi (Member).
- Ø Corporate Social Responsibility Committee which comprises of an Independent Director, Mrs. Rupal Vora (Chairperson of Committee), Managing Director & C.E.O., Mr. Chirag C. Doshi (Member); and Director, Mr. G. K. Pillai (Member).

**20. Board Evaluation:**

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

views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

The Nomination & Remuneration Committee has determined a process for evaluating the performance of every Director, Committees of the Board and the Board on an annual basis.

## 21. Vigil Mechanism:

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, in accordance with Section 177 of the Companies Act 2013, and the Listing Regulations, the Board of Directors has formulated a Whistle Blower Policy to report genuine concerns or grievances. Protected disclosures can be made by a whistle blower through an e-mail, or telephone line or a letter to the Chairman of the Audit Committee or the Company Secretary of the Company or any member of the Audit Committee. The Policy on vigil mechanism / whistle blower policy may be accessed on the Company's website at the link <https://www.walchand.com/wp-content/uploads/2019/03/Whistle-Blower-Policy-Effective-From-April-1-2019-.pdf>.

## 22. Particulars of Employees Remuneration:

- (A) The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are forming part of this Report as **Annexure 'D'**.
- (B) The information as required under Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be provided upon the 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. Upon such request Information shall be furnished.

## 23. Particulars of Contracts and Arrangements with Related Parties:

All contracts / arrangements / transactions entered into / by the Company during the Financial Year under review with Related parties were on an arm's length basis and in the Ordinary Course of Business. There were no materially significant related party transactions which could have potential conflict with interest of the Company at large.

All Related Party Transactions were placed before the Audit Committee for approval. The policy on Related Party Transactions as approved by the Board is uploaded

on the Company's website at the following link: <https://walchand.com/wp-content/uploads/2020/07/Related-Party-Transaction-Policy-wef-01.04.2020.pdf>

Your Directors draw attention of the members to Note no. 45 to the Financial Statement which sets out related party disclosures.

## 24. Nomination & Remuneration Policy:

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

### Objectives:

The Nomination and Remuneration Committee and this Policy is in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of SEBI (Listing Obligations & Disclosure Requirements), Regulation, 2015.

The Key Objectives of the Committee are:

- to formulate guidelines in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- to evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- to recommend to the Board the all Remuneration payable in whatever form payable to the Directors, Key Managerial Personnel and Senior Management.

### Role of Committee:

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

### Nomination Duties:

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

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

The Nomination and Remuneration policy is available on the website of the Company and the weblink for the same is <https://www.walchand.com/wp-content/uploads/2019/03/Nomination-Remuneration-Policy-Effective-From-April-1-2019.pdf>

**25. Risk Management:**

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

**26. Internal Financial Control Systems:**

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

**27. Insurance:**

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

**28. 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, 2021, total dematerialized equity shares are 37524545 representing 98.57%.

**29. Company's Website:**

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

**30. Means of Communication:**

The Company has designated [investors@walchand.com](mailto: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.

**31. Auditors and Auditor's Report:**

**Statutory Auditor:**

M/s. Jayesh Sanghrajka & Co. LLP, Chartered Accountants, Mumbai was appointed in 108<sup>th</sup> Annual General Meeting (AGM) as the Statutory Auditors of the Company to hold office from the conclusion of 108<sup>th</sup> AGM until the conclusion of the 113<sup>th</sup> AGM.

**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 2022. They were also the cost auditors for the previous Year ended March 2021. 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 2022.

The Cost Audit Reports for the financial year ended March 2021, will be filed within the stipulated time i.e. on or before September 30, 2021.

#### **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 undertake Secretarial Audit of the Company for the year April 01, 2020 to March 31, 2021. The Secretarial Audit Report for the year ended March 31, 2021 is annexed herewith marked as **Annexure 'E'** to this Report. No observations / qualifications / reservation / adverse remark 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 2021-22 also.

#### **Reporting of Frauds by Auditors:**

During the year under review, the Statutory Auditors, the Secretarial Auditor or the Cost Auditors has not reported to the Audit Committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which needs to be mentioned in the Board's Report.

#### **32. Particulars of Loans, Guarantees or Investments by Company:**

Particulars of Loans given, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are provided in the notes to Financial Statement (Please refer Notes to the Financial Statement).

#### **33. Employee Stock Option Scheme:**

With the perspective of promoting the culture of ownership and to attract, retain, motivate and incentivize senior as

well as critical talent, the Company has approved "WIL - Employees Stock Option Plan 2020".

The Nomination and Remuneration Committee inter alia administers and monitors Employees' Stock Option Scheme of the Company. The Schemes are in line with the Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SBEB Regulations"). The Company has received a certificate from the Auditors of the Company that the scheme is implemented in accordance with the SBEB Regulations and the resolution passed by the members. The certificate is available for inspection by members in electronic mode.

#### **34. Prevention of Sexual Harassment of Women at Workplace:**

Your Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### **35. Secretarial Standards:**

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

#### **36. Familiarization Programme for Independent Directors:**

To provide insights into the Company to enable the Independent Directors to understand the Company's business in depth which would facilitate their active participation in managing the Company, Company arranges Familiarization Programme for Independent Directors. The details of such familiarization programmes for Independent Directors are posted on the website of the Company viz. <https://www.walchand.com/wp-content/uploads/2019/04/Familiarisation-programme-for-ID.pdf>.

#### **37. 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/ Courts /Tribunals which would impact the going concern status of the Company and its future operations.

**38. 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.

The Directors regret the loss of life due to COVID-19 pandemic in the Country / Company are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

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

**Sd/-**  
**Chirag C. Doshi**  
Managing Director & CEO  
DIN: 00181291

**Sd/-**  
**Dilip J. Thakkar**  
Director  
DIN: 00007339

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

Date : June 29, 2021

## ANNEXURE A TO DIRECTOR'S REPORT

### MANAGEMENT DISCUSSION AND ANALYSIS

#### Economic Overview

FY 2020-21 was predominantly about the Covid-19 pandemic and individuals, societies, companies & nations managing the pandemic. We saw a decline in the pandemic towards the end of the fiscal year before the second wave hit India in the month of March 2021.

The global economy contracted by 3.3% in FY 2020-21. Advanced economies showed a steeper decline of 4.7%, whereas emerging markets and developing economies declined by 2.2%. All economies except China went into recession, China showing 2.3% growth in the economy. The global economy is expected to see a rebound in the second half of FY 2021-22 with vaccine optimism leading to further opening of economies. Governments & Central banks are expected to maintain supportive policies until the recovery is firmly underway. The strength of recovery globally will depend on the success of the vaccine roll out. Initial signs of pick up in business sentiment is evident in terms of better GDP numbers across the developed world, falling rates of unemployment and a general buoyancy in stock markets globally.

The Indian economy contracted by almost 8% (as compared to growth rate of 4.2% in the previous fiscal year), making FY 2020-21 the first year of contraction since 1980. India saw sharper decline than other key economies due to a strict & early lockdown to control the spread of Covid-19. However, India saw a V-shaped recovery since Q3 FY 2020-21. Amidst pandemic & lockdown conditions, digital adoption saw acceleration and industries are using various digital platforms for transactions & operations. The Reserve Bank of India (RBI), and the central & state governments provided critical support to the economy during this crisis. Even though the second wave of the pandemic has affected industries again from March 2021 to June 2021 due to partial lockdown & restrictions, India is hoping for better recovery in rest of the fiscal year 2021-22. In this context is heartening to note that despite rising inflation (both WPI and CPI), RBI has chosen to support the incipient recovery process via its accommodative monetary policy. Also supporting policy level measures by the government like continued emphasis on infrastructure, extending the employee guarantee scheme, direct benefit transfers, extension of the negative list for defence imports, etc will go a long way in giving a fillip to demand as well as investment.

#### Covid-19 & the Impact on Your Company (WIL)

WIL's manufacturing facilities at Walchandnagar, Satara, Dharwad & all offices went under lockdown & restrictions as per government guidelines for first & second wave of pandemic. WIL took all the necessary precautions during operations to ensure health & safety of all employees and their families. Your Company is ensuring utmost safety of its employees by following measures such as vaccination camps for factory employees, usage of masks/gloves, regular temperature screening, setting up of disinfectant facilities, allowing workforce to work with social distancing, conducting comprehensive factory sanitization and strengthening work from home culture for our offices in the cities.

A wide business portfolio and factory locations that are away from highly affected areas & cities gave WIL a slight edge and natural protection from the pandemic. Even though the lockdown period affected operations, especially supply chain in Q1 FY 2020-21, WIL showed appreciable improvement in the operations during unlock period with better planning, discipline and dedication of our employees.

#### Performance Overview

Summary of the revenue & profitability for FY 2020-21 as compared to previous financial year is tabulated below:

₹ In Lakhs

Particulars	FY 2020-21	FY 2019-20
Total Income	35,067	31,822
EBIDTA (Before Exceptional Items & Exchange Currency fluctuations)	4,685	4,780
EBIDTA (After Exceptional Items & Exchange Currency fluctuations)	4,478	4,406
Profit / (Loss) Before Tax (PBT)	(5,724)	(6,546)
Profit / (Loss) After Tax (PAT)	(5,724)	(6,546)
Cash Profit / (Loss) (Including Exceptional Items)	(3,428)	(4,247)
Cash Profit / (Loss) (Excluding Exceptional Items)	(3,428)	(3,268)
Fully diluted EPS	(15.04)	(17.20)

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

In spite of the disturbance due to pandemic and sales affected in Q1 FY 2020-21, WIL bounced back to have better income in subsequent quarters making this year's revenue higher than that of previous fiscal year. Higher top-line in FY 2020-21 definitely shows improvement in operations, optimal use of manufacturing capacities and improved processes in the year. One of the most important measures in such times is cost control and cash conservation and your company has relentlessly worked towards this objective through measures like reduction of subcontracting activities, reduction of wastages on the shop-floor, liquidation of unwanted material, etc.

Your company has successfully completed execution of important projects including OPV-Gearboxes for Goa Shipyard Limited, Hairpin Heat Exchangers for NPCIL and various components for ISRO & Indian defence. WIL has also supported government in fighting the pandemic with supply of pressure gauges to DRDO for oxygen generating plants. In 2020-21, WIL has widened its business portfolio with establishment of two more businesses viz. Process Equipment Division (PED) & Railways. Also a series of steps were taken to strengthen product businesses i.e. completion of a strategic assignment to scale up the Crushing & Grinding business, improved customer connect via "Voice of Customer" exercises, creation of an umbrella structure for the Spares and Services business, initiation of new development for more efficient and higher capacity products like Centrifugal Machines and selective upgradation of critical equipment.

WIL has a healthy order book of INR 762 Cr as on 31<sup>st</sup> March 2021.



Hi-tech manufacturing covers most of the order book along with residual execution of EPC projects. Aerospace division carries the highest order book covering 32% of the total orders; which is a positive sign indicating your company's inclination towards hi-tech manufacturing for positive impact on the bottom-line.

#### **Digitalization & Automation @ WIL**

Amidst covid-19 pandemic, WIL has adopted digital platforms to communicate & transact, ensuring smooth operations with social distancing. Along with communication platforms, WIL has actively started investing in digitalization & automation of processes; which will result in faster & accurate processes with better control. Some of the initiatives at WIL include Automation in production booking on the shop floor, Barcode system for better inventory control, automated Supplier Relationship Management (SRM), Business Intelligence (BI) system, and more. Your company is also trying to establish itself through digital marketing with an active presence on social media, a revamped website and better brand awareness. We also plan to leverage the power of data – transactional, operational and financial through "Data Analytics" in order to gain more insights into our working, aid in decision making at all levels and thereby improve systems, processes and profitability.

#### **Human Resources (HR)**

The year gone by was challenging for industries in many ways with a necessity to handle the pandemic & manage the workforce accordingly. Our HR team was instrumental in caring for all our employees and family members affected by COVID. WIL has always given importance to professional development of the talent with opportunities & motivation. Emphasis on training and development of the workforce has been the focus area. Additionally, competency building programmes for leadership development and various engagement initiatives have been undertaken to sustain the employees' motivation and maintain a harmonious work culture. Town-hall meetings as well as meetings between staff/workmen & top management have ensured dissemination of strategic direction & thinking across all levels within organization.

#### **Risk Management & Internal control**

The biggest risk at this time is clearly the uncertainty due to the pandemic affecting employees & operations. Your company has taken appropriate measures to mitigate this to certain extent by promoting work from home policy in offices wherever possible, selective attendance in offices as per guidelines, vaccination camps at factory, exploring ways for steady oxygen gas supply through collaborations, etc. WIL could successfully manage the pandemic in FY 2020-21 & is ready for the uncertainty to plan risk mitigation in near future. Another concomitant risk which we have faced is the rise in input cost particularly the price of steel which can affect profitability. However we have been alert to the situation and have taken mitigation measures like price revisions wherever possible, strategic buying, value engineering, etc.

Risk assessment & planning for mitigation has always been an annual exercise at WIL with periodic reviews throughout the year. Types of risks & priorities get modified with the changing business

profile, economic scenario, and other critical external and internal factors. With a clear strategic decision, WIL would be focusing on the strategic hi-tech manufacturing business rather than the erstwhile EPC business. In the current scenario, WIL has adopted a balanced approach of stringent project management in case of newly accrued manufacturing orders and phase-wise completion & clearance of legacy EPC projects to effectively mitigate this risk.

In addition to the above, our internal audit function has a strong mechanism for Risk Based Internal Audit (RBIA) for end-to-end processes & necessary control, transaction audit to ensure monetary transactional accuracy, and accounting & control audits for various process transactions in the ERP system for ensuring proper discipline in the system.

#### **Technology Upgradation & Product Development**

WIL continues to be cognizant about emerging trends & importance of technology upgradation. We are continuously improving our manufacturing capabilities through automation as well as manual process improvements. Especially, our product business portfolio has tremendous scope for product development through advanced offerings to the customer. Technological advancements at the shop floor will help to save the manufacturing time & improve quality of the products, whereas product development will enable WIL to offer advanced features for our product to customers & to expand our product portfolio. WIL has also started to explore application of Internet of Things (IoT) in processes as well as products to have smart systems, more data, prediction capabilities and more control. Your company is also keen on increasing its geographical footprint by targeting the export market for identified products.

#### **Strategic Directions**

Your company has done a comprehensive exercise to chalk out strategic directions for the organization with a structured approach & a defined path towards fulfilling our aspirations in coming years. The immediate focus areas include revamping of processes including automation, building & nurturing talent and implementing a detailed succession plan, improving execution capabilities, investment in technological advancement, and expanding markets & product portfolio. A systematic work culture towards these strategic directions is expected to help your company achieve greater heights in years to come.

#### **Cautionary Statement**

The statements in the "Management Discussion and Analysis Report" describe your Company's objectives, projections, expectations, estimates or forecasts which may be "forward-looking statements" within the meaning of the applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied therein due to risks and uncertainties. Important factors that could influence the Company's operations, inter alia, include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in Government regulations, tax laws, economic, political developments within the country and other factors such as litigations and industrial relations.

## ANNEXURE 'B' 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 all stakeholders. 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 the Board of Directors about the tasks assigned to them.

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

#### (2) Board of Directors:

As on March 31, 2021, the Board of Directors comprised of a Non-Executive Chairman, a Managing Director & CEO, a Non Independent Non-Executive Director and 3 Independent Non-Executive Directors including a Woman Director. The composition of the Board of Directors is in conformity with the relevant provisions of the Companies Act, 2013 ("Companies Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Non-Executive Directors are professionals and have vast experience in the field of industry operations, accounts, finance, taxation, 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 'A'** to Directors Report. The Board Members are presented with proper notes along with the Agenda papers 7 days / 2 days in advance before the meeting. Information covering the matters listed as per Regulation 17 read with Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided to the Board as a part of Agenda papers.

The details of Directors on the Board of the Company during the Financial Year from April 01, 2020 to March 31, 2021 are given below:

#### Information on Board of Directors

Name of Director	Category / Designation	No. of Board Meetings held	Attendance (01.04.2020 to 31.03.2021)		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 & Perqui-sites	Comm-ission	Total
Mr. Chakor L. Doshi §	C – NED	6	6	Yes	1	-	0	55930*	6.50	-	-	6.50
Mr. Dilip J. Thakkar	I - NED	6	6	Yes	4	2	2	0	7.00	-	-	7.00
Dr. Anil Kakodkar	I - NED	6	6	Yes	2	0	0	0	7.00	-	-	7.00
Mrs. Rupal Vora	I - NED	6	6	Yes	1	1	1	0	3.50	-	-	3.50
Mr. G. K. Pillai	NED	6	6	Yes	1	0	0	0	3.00	-	-	3.00
Mr. Chirag C. Doshi §	MD & CEO	6	6	Yes	1	0	2	N.A.	-	140.17	-	140.17

Notes:

- "C-NED" Chairman – Non Executive Director "NED" Non Executive Director  
"I-NED" Independent Non Executive Director " MD&CEO Managing Director & Chief Executive Officer
- 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 Circulated to all the Directors 7 days in advance except items of Agenda which are in the nature of Unpublished Price Sensitive Information are circulated 2 days in advance. During the Financial Year from April 01, 2020 to March 31, 2021, Six Board Meetings were held on April 17, 2020; June 26, 2020; August 14, 2020; November 10, 2020; February 10, 2021 and March 23, 2021 and the maximum gap between the two Board meetings did not exceed 120 days.
- Due to the COVID pandemic, all the Board and Committee meetings during the year were held through audio-visual mediums.
- During the Financial Year, the professional fees amounting to ₹ 46,50,000.00/- was paid to Mr. G. K. Pillai, Director in accordance with the approval granted by the Shareholders. There were no other pecuniary relationships or transactions of Non-Executive Directors with the Company.
- Mr. G. K. Pillai was appointed as Non-Executive Director w.e.f. April 01, 2020.
- # 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 & CEO, 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

**Core skills / expertise / competencies available with the Board:**

The following skills/expertise/competencies have been identified by the Board of Directors as required in the context of the Company's aforesaid business (es) for it to function effectively and those available with the Board as a whole:

- a) Financial / Taxation Skills
- b) Legal / Regulatory Skills
- c) Leadership / Operational Experience
- d) Board Service and Governance
- e) Strategic Planning / Risk Management
- f) Industry / Business Experience
- g) Global Business

The following are the details of the listed entities in which the Director is a director, category of Directorship and their area of expertise:

Sr. No.	Name of the Director	Directorship held in other listed entities	Area of Expertise	Category of Directorship
1	Mr. Chakor L. Doshi	Bombay Cycle & Motor Agency Limited	a) Leadership / Operational Experience b) Board Service and Governance c) Strategic Planning / Risk Management d) Industry / Business Experience e) Global Business	Non Executive Director
2	Mr. Dilip J. Thakkar	Poddar Housing and Development Ltd. Indo Count Ind. Ltd. AGC Networks Ltd. Essar Ports Ltd.	a) Financial / Taxation Skills b) Legal / Regulatory Skills c) Board Service and Governance d) Strategic Planning / Risk Management	Non Executive – Independent Director Non Executive – Independent Director Non Executive – Independent Director Non Executive – Independent Director
3	Dr. Anil Kakodkar	Triveni Turbines Ltd. Maharashtra Knowledge Corporation Limited	a) Leadership / Operational Experience b) Board Service and Governance c) Industry / Business Experience d) Global Business e) Strategic Planning / Risk Management	Non Executive – Independent Director Non Executive – Independent Director
4	Mrs. Rupal Vora	Bombay Cycle & Motor Agency Limited	a) Financial / Taxation Skills b) Legal / Regulatory Skills c) Board Service and Governance d) Strategic Planning / Risk Management	Non Executive – Independent Director
5	Mr. G. K. Pillai	Steel and Industrial Forgings Limited	a) Leadership / Operational Experience b) Board Service and Governance c) Industry / Business Experience d) Global Business	Director
6	Mr. Chirag C. Doshi	Bombay Cycle & Motor Agency Limited	a) Financial / Taxation Skills b) Leadership / Operational Experience c) Board Service and Governance d) Strategic Planning / Risk Management e) Industry / Business Experience f) Global Business	Chairman & Managing Director

Details of familiarization programme for Independent Directors are available on the website of the Company and can be accessed through web link <https://walchand.com/wp-content/uploads/2019/04/Familiarisation-programme-for-ID.pdf>.

Board of Directors confirms that in the opinion of the Board of Directors, Independent Directors fulfill the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

**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 February 06, 2019. 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 Managing Director and CEO is attached to this report.

**CEO/CFO Certification:**

As required under Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Managing Director & CEO and Chief Financial Officer of the Company have certified to the Board on the financial statements for the period ended March 31, 2021 and the same is attached to the Report.

**(3) Audit Committee:****Brief description of 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:**

As on March 31, 2021 Audit Committee of the Board comprises of 3 Non-Executive Directors 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, as amended.

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

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

Name of Director	No. of Meetings held	No. of Meetings attended
Mr. Dilip J. Thakkar	5	5
Dr. Anil Kakodkar	5	5
Mr. Chakor L. Doshi	5	5

Five Audit Committee Meetings were held during the Financial Year 2020-21 on June 26, 2020; August 13, 2020; November 09, 2020; February 09, 2021 and March 23, 2021 through Video Conferencing.

The necessary quorum was present for all the meetings.

Mr. Dilip J. Thakkar, Chairman of the Audit Committee was present at the Annual General Meeting held on August 14, 2020 through Video Conferencing.

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

**(4) Nomination & Remuneration Committee:****Brief description of 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.
- h) To recommend to the Board all remuneration, in whatever form, payable to Senior Management.

#### Composition and Attendance at meetings:

As on March 31, 2021, Nomination & Remuneration Committee of the Board comprises of Mr. Chakor L. Doshi and two Independent Directors viz., Mr. Dilip J. Thakkar and Dr. Anil Kakodkar. Dr. Anil Kakodkar is the Chairman of the Committee. Mr. G. S. Agrawal, Vice President (Legal & Taxation) & Company Secretary acts as Secretary to the Nomination & Remuneration Committee.

<b>Attendance of Directors at the Nomination &amp; Remuneration Committee Meeting held during the Financial Year under review :</b>		
<b>Name of Director</b>	<b>No. of Meetings held</b>	<b>No. of Meetings attended</b>
Dr. Anil Kakodkar	2	2
Mr. Dilip J. Thakkar	2	2
Mr. Chakor L. Doshi	2	2

Two Nomination & Remuneration Committee Meeting were held during the Financial Year 2020-21 on June 26, 2020 and November 09, 2020 through Video Conferencing. The necessary quorum was present at the meeting.

#### Performance evaluation criteria for Independent Directors:

The performance evaluation criteria for Independent Directors is determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and

independence of behavior and judgment.

Nomination & Remuneration Policy: Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, Nomination and Remuneration Policy was approved by the Board in its meeting held on February 06, 2019.

The Nomination and Remuneration policy is available on the website of the Company and the weblink for the same is <https://www.walchand.com/wp-content/uploads/2019/03/Nomination-Remuneration-Policy-Effective-From-April-1-2019.pdf>

Non-Executive Directors has not drawn 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 year was ₹ 27.00 Lakhs.

#### Details of remuneration paid to Executive Director:

The details of remuneration paid / provided for Mr. Chirag C. Doshi for the Financial Year 2020-21 is as follows:

#### Amount paid / payable

<b>Details</b>	<b>Mr. Chirag C. Doshi Managing Director &amp; CEO</b>
Salary	85,20,000
Perquisites	27,40,314
Contribution to P.F. and Superannuation	24,68,640
Gratuity	2,88,462
Commission	--
<b>Total</b>	<b>1,40,17,416</b>

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

Service Contract	: Three Years
Notice Period	: Six Months.
Severance fees	: Not Applicable.
Stock options	: Not Applicable.

#### (5) Stakeholders Relationship Committee:

##### Brief description of Terms of Reference:

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

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

#### Composition and Attendance at meetings:

As on March 31, 2021 Stakeholders Relationship Committee of the Board comprises of 3 Non-Executive Directors namely Mr. Chakor L. Doshi, Dr. Anil Kakodkar and Mr. Dilip J. Thakkar. Dr. Anil Kakodkar, Non-Executive Director is the Chairman of the Committee. The composition of the Committee meets the requirement of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. G. S. Agrawal, Vice President (Legal & Taxation) & Company Secretary and Compliance Officer acts as a Secretary of the Committee Meeting.

Dr. Anil Kakodkar, Chairman of the Stakeholders Relationship Committee was present at the Annual General Meeting held on August 14, 2020 through Video Conferencing.

During the Financial Year 2020-21, 3 complaint was received from shareholders and was resolved as per details given hereunder:

Sr No	Nature of Complaint	Pending as on 01.04.2020	Received during the Financial Year	Redressed during the Financial Year	Pending as on 31.03.2021
1	Non Receipt of Share Certificate (s)	0	1	1	0
2	Stock Exchanges	0	1	1	0
3	SEBI - Scores	0	1	1	0
	<b>TOTAL</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>0</b>

#### Attendance of Directors at the Stakeholders Relationship Committee Meeting held during the Financial Year 2020-21 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 Financial Year 2020-21 under review, one Stakeholders Relationship Committee Meeting was held on June 26, 2020 through Video Conferencing. 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 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.

#### (7) Risk Management Committee:

As on March 31, 2021 Risk Management Committee of the Board comprises of senior executives of the company namely Mr. Chirag C. Doshi, Managing Director & CEO; Mr. Sandeep Jain, Chief Financial Officer and Mr. Anil Vasant Gabhe, Chief Internal Auditor. Mr. G. S. Agrawal, Vice President (Legal & Taxation) & Company Secretary acts as Secretary of the Committee. As per SEBI (LODR) (Amendment) Regulations, 2018, constitution of Risk Management Committee is applicable to top 500 listed entities determined on the basis of market capitalization, as at the end of the immediately previous financial year. Hence, it is not mandatory for our Company to constitute Risk Management Committee. However, the Company has voluntarily constituted the Committee and the composition of the Committee meets the requirement of the Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Managing Director & CEO, is responsible for defining, implementing and review of risk management processes within WIL. The Chief Internal Auditor 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 were identified and assessed. For each of the risks identified, corresponding controls were assessed and policies and procedures were put in place for monitoring, mitigating and reporting risk on a periodic basis.

During the Financial Year 2020-21 under review, no Risk Committee Meeting was held.

#### (8) Finance Committee:

The Board of Directors formed Finance Committee to consider and approve borrowing proposals referred / delegated to it by the Board. During the financial year 2010-2011, the powers and responsibilities of Finance Committee were extended in respect of (i) Opening of new Bank Accounts and / or Closure of the Bank Accounts; (ii) Authorizing executives of the company to operate the bank accounts; (iii) Revision

in Authorized Signatories to operate existing Bank Accounts of the company; (iv) Availing Internet Banking facilities including e-commerce and / or closure of Internet banking facilities, authorizing executives of the company to operate the said facilities and revision in authorized signatories for operating the said facilities; (v) Authorizing executives of the Company for dealing in Forward Contracts on behalf of the Company and authorize the executives for executing the documents under Common Seal of the Company for availing the said facilities, from time to time.

**Composition and Attendance at meetings:**

As on March 31, 2021, Finance Committee of the Board comprises of three Directors viz. Mr. Chakor L. Doshi, Mr. Dilip J. Thakkar and Mr. Chirag C. Doshi. Mr. Dilip J. Thakkar is the Chairman of the Committee.

During the Financial Year 2020-21 under review, no Finance Committee Meeting was held.

**(9) Corporate Social Responsibility Committee:**

During the Year 2013-2014, the Board 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.

**Composition and Attendance at meetings:**

As on March 31, 2021 the members of the CSR Committee are Mrs. Rupal Vora, Mr. G. K. Pillai and Mr. Chirag C. Doshi. Mrs. Rupal Vora is the Chairperson of the Committee.

<b>Attendance of Directors at the Corporate Social Responsibility Committee Meeting held during the Financial Year are as under:</b>		
<b>Name of Director</b>	<b>No. of Meetings held</b>	<b>No. of Meetings attended</b>
Mrs. Rupal Vora	1	1
Mr. G. K. Pillai	1	1
Mr. Chirag C. Doshi	1	1

During the Financial Year 2020-21 under review, one meeting of Corporate Social Responsibility was held on June 26, 2020. 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.

**(10) Committee of Independent Directors:**

Independent Directors Committee has been constituted as per the provisions of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the Financial Year 2020-21, the Independent Directors Meeting of the Company was held on June 26, 2020 through Video Conferencing.

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

<b>Attendance of Directors at the Independent Directors Committee Meeting held during the Financial Year 2020-21 is as under :-</b>		
<b>Name of Director</b>	<b>No. of Meeting held</b>	<b>No. of Meeting attended</b>
Dr. Anil Kakodkar	1	1
Mr. Dilip J. Thakkar	1	1
Mrs. Rupal A. Vora	1	1

In the opinion of the Board the existing Independent Directors fulfill the conditions specified in the SEBI Listing Regulations and are Independent of the Management.

**(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.

As on March 31, 2021 Allotment Committee comprises of three Directors viz. Mr. Dilip J. Thakkar, Mr. Chakor L. Doshi and Mr. Chirag C. Doshi. Mr. Dilip J. Thakkar is Chairman of the Committee.

During the Financial Year 2020-21 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 tranche(s), 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").

As on March 31, 2021 Committee of Directors for Capital Issue comprises of three Directors viz. Mr. Chakor L. Doshi, Mr. Dilip J. Thakkar and Mr. Chirag C. Doshi. Mr. Dilip J. Thakkar is the Chairman of the Committee.

During the Financial Year 2020-21 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
April 2017- March 2018	Walchand Hirachand Hall, IMC Building, Churchgate, Mumbai – 400 020	14.08.2018	03.30 p.m.
April 2018- March 2019	Walchand Hirachand Hall, IMC Building, Churchgate, Mumbai – 400 020	06.08.2019	04.00 p.m.
April 2019- March 2020	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	14.08.2020	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:

- April 2017 – March 2018
  - a) Resolution Number 3, Resolution under Section 188, 197 of the Companies Act, 2013, to accord consent of the Shareholders of the Company for renewing the consultancy contract of Mr. Chakor L. Doshi for a period of two years w.e.f. May 01, 2018 to April 30, 2020.
- April 2018 – March 2019
  - a) Resolution Number 3, Resolution under Section 149, 152 read with Schedule IV to accord consent of Shareholders of the Company for Appointment of Dr. Anil Kakodkar (DIN:03057596), as an Independent Director.
- April 2019 – March 2020
  - a) Resolution Number 5, Resolution under Section 188, 197 of the Companies Act, 2013, to accord consent of the Shareholders of the Company for availing the Professional Services of Mr. G. K. Pillai as Advisor / Consultant for a period of One Year w.e.f. April 01, 2020.

- b) Resolution Number 6, Resolution under Section 42, 62 (1) (b) of the Companies Act, 2013, to accord consent of the shareholders of the Company, to approve 'WIL - Employees Stock Option Plan 2020'.

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

#### (B) Special resolution passed through Postal Ballot during the F.Y. 2020-2021, the person who conducted the postal ballot exercise and details of the Voting Pattern: N.A.

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

No Special Resolution is proposed to be conducted through postal ballot at the AGM scheduled to be held on Saturday, August 14, 2021.

### (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 Lakshadweep 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](http://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 has been sending various communications including the Annual Report, 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 enclosed as **Annexure 'A'** to the Directors' Report.
- vi) There were no Presentations made to institutional investors or to the analysts during the year 2020-21.
- 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:**

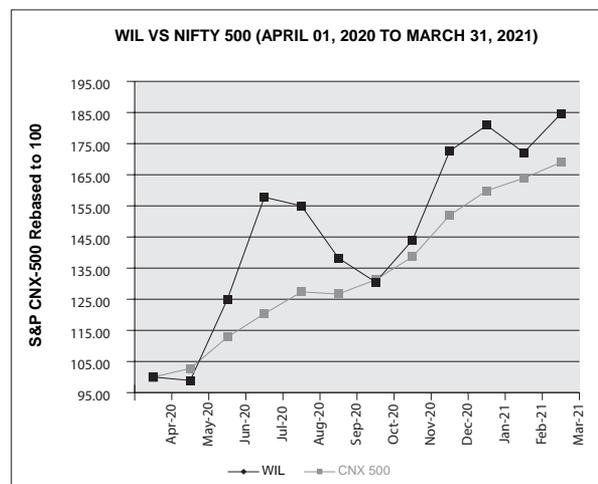
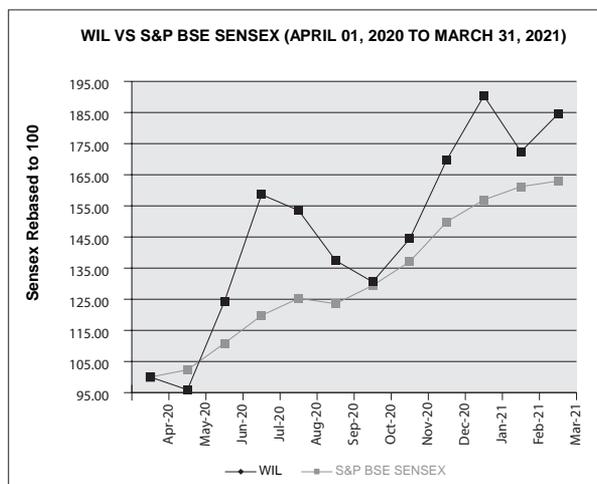
- i) **AGM : Date, Time & Venue** : Saturday, August 14, 2021 at 5:00 P.M.  
The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated May 5, 2020 and January 13, 2021 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.
- ii) **Financial Calendar** : 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.  
P. J. Towers, Dalal Street, Mumbai – 400 001.  
National Stock Exchange of India Ltd.  
Plot No. C/1, G Block,  
Bandra Kurla Complex, Bandra (East)  
Mumbai 400 051  
The Listing fees for the year 2021-2022 have been paid to both the Stock Exchanges.
- vi) **Stock Code** : 507410 (BSE) and WALCHANNAG (NSE)
- vi) **Market Price Data : High, Low during each month in last financial Year** : BSE/NSE

(Amount in ₹)

Month	BSE		S&P BSE SENSEX	NSE		CNX-500
	High	Low	Closing	High	Low	Closing
Apr-20	50.00	23.60	33717.62	49.00	24.55	8012.90
May-20	38.35	32.25	32424.10	38.15	34.6	7822.40
Jun-20	55.00	36.50	34915.80	54.50	37.40	8474.80
Jul-20	67.95	48.80	37606.89	67.20	48.85	9035.75
Aug-20	63.00	50.00	38628.29	62.95	51.05	9372.05
Sep-20	57.40	43.75	38067.93	57.90	43.75	9341.75
Oct-20	51.10	45.00	39614.07	50.95	45.05	9581.65
Nov-20	60.80	45.50	44149.72	60.80	45.15	10719.05
Dec-20	74.00	51.00	47751.33	73.90	53.05	11518.30
Jan-21	80.00	60.10	46285.77	72.90	60.15	11302.40
Feb-21	67.05	59.85	49099.99	67.40	59.20	12181.40
Mar-21	75.50	60.30	49509.15	75.60	60.15	12313.70

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

The Chart shows the performance of the Company's Shares at BSE and NSE as compared to BSE SENSEX and S & P CNX - 500 during the Financial Year 2020-21:



**ix) Registrar and Share Transfer Agents:**

M/s. Link Intime India Pvt. Ltd.

Unit: Walchandnagar Industries Ltd.

C 101, 247 Park,

L B S Marg, Vikhroli West,

Mumbai 400 083.

Ph. No.: (022) 49186270

Fax No.: (022) 49186060

e-mail id: rnt.helpdesk@linkintime.co.in

**x) Share Transfer System :**

In terms of Regulation 40 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, securities can be transferred only in dematerialized form w.e.f. April 01, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Shareholders who desire to demat their shares can get in touch with any Depository Participant having registration with SEBI to open a demat account and follow the procedure for dematerialization of share.

**xi) (a) Shareholding Pattern as on March 31, 2021 :**

Category	No. of Shares	%
Promoters & Directors, Directors Relatives/HUF & Group Companies/ Group Trusts	20938613	55.00
Mutual Funds & Unit Trust of India	4500	0.01
Banks, Financial Institutions, State Government	94425	0.25
Bodies Corporate & Clearing Members	719479	1.89
NRI/OCB/FII/FN/NBFC's	234369	0.62
Public (Resident Indians / Trusts/ HUF/Office bearers)	15584773	40.93
Investor Education & Protection Fund	494046	1.30
<b>Total</b>	<b>38070205</b>	<b>100.00</b>

**(b) Distribution of shareholding as on March 31, 2021:**

Shareholding of nominal value of ₹	Number of Shareholders	% to Total	Amount in ₹	% to Total
1 to 5000	61746	99.486	12657328	33.2473
5001 to 10000	188	0.3029	1368681	3.5952
10001 to 20000	90	0.145	1316761	3.4588
20001 to 30000	16	0.0258	393787	1.0344
30001 to 40000	8	0.0129	275917	0.7248
40001 to 50000	4	0.0064	187250	0.4919
50001 to 100000	5	0.0081	375969	0.9876
100001 to onwards	8	0.0129	21494512	56.4602
<b>TOTAL</b>	<b>62065</b>	<b>100.00</b>	<b>38070205</b>	<b>100.00</b>

**xii) Dematerialization 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. 26<sup>th</sup> December, 2000 and Company's Registrar & Transfer Agents have connectivity with NSDL & CDSL. The ISIN No. is INE711A01022. As on March 31, 2021, 3,75,24,545 equity shares representing 98.57% 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) Commodity Price Risk or Foreign Exchange Risk And Hedging Activities for details.** : Please refer Management Discussion and Analysis Report for details.

- xv) 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

**xvi) Address for correspondence**

- a) For Correspondence relating to shares** M/s. Link Intime India Pvt. Ltd.  
Unit: Walchandnagar Industries Ltd.,  
C 101, 247 Park,  
L. B. S. Marg, Vikhroli West,  
Mumbai 400 083.  
Ph. No.: (022) 49186270  
Fax No.: (022) 49186060  
Email : rnt.helpdesk@linkintime.co.in
- b) For other matters (At Company's registered Office)** Walchandnagar Industries Ltd.  
3, Walchand Terraces  
Tardeo Road, Mumbai 400 034  
Ph. No.: (022) 23612195/96/97  
Fax No.: (022) 23634527  
Email: investors@walchand.com;  
giriraj.agrawal@walchand.com

**xvii) List of Credit Ratings obtained by the Company:**

1. **ACUITE RATINGS & RESEARCH LIMITED** : The following is the latest credit rating of the Company:

	Long Term Instruments	Short Term Instruments
Total Rated Quantum (₹ in Cr.)	242.00	594.11
Quantum of Enhancement (₹ in Cr.)	Not Applicable	Not Applicable
Rating	ACUITE BB	ACUITE A4+
Outlook	Negative	Not Applicable
Most recent Rating Action	Reaffirmed	Reaffirmed
Date of most recent Rating Action	March 16, 2021	March 16, 2021
Rating Watch	Not Applicable	Not Applicable

**xviii) Transfer of Unclaimed Dividends:**

Under the Companies Act, 2013, Dividends that are unclaimed for a period of seven years are required to be transferred to the Investor Education and Protection Fund administered by the Central Government. The members who have a claim on above dividends may claim the same from IEPF Authority. No claims shall lie against the Company in respect of the dividend so transferred.

Separate intimation has been given in the notice convening 112<sup>th</sup> Annual General Meeting, a part of this 112<sup>th</sup> Annual Report. Members are requested to utilize this opportunity and get in touch with Company's Registrar and Share Transfer Agent, M/s. Link Intime India Pvt. Ltd., C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083 for encashing the Unclaimed Dividend for the financial year 2013-2014 standing to the credit of their account.

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

**xix) Transfer of underlying shares into Investor Education and Protection Fund (IEPF) in cases where Unclaimed Dividends have been transferred to IEPF for a consecutive period of 7 years:**

In terms of Section 125 (6) of the Companies Act, 2013 read with Investor Education and Protection Fund (IEPF) Authority

(Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is required to transfer the shares in respect of which Dividends have remained Unclaimed for a period of 7 consecutive years to the IEPF Account established by the Central Government. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority restraining any transfer of the shares. The Company sends periodical reminder to the shareholders to claim their dividends in order to avoid transfer of dividends / shares to IEPF Authority. As required under the said Rules, the Company has published a notice in this regard in the newspapers inviting the member's attention to the aforesaid rules. The details of Unclaimed Dividends and shareholders whose shares are liable to be transferred to the IEPF Authority are uploaded on the Company's website <https://www.walchand.com/investors/investor-information/>

The members who have a claim on the dividends and the shares which are transferred to IEPF may claim the same from IEPF Authority by submitting an online application in web Form No. IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend / shares so transferred.

**xx) Unclaimed Equity Shares to Unclaimed Suspense Account:**

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.

**xxi) Company Website:**

The Company has its website namely [www.walchand.com](http://www.walchand.com). The Company's website contains a separate dedicated section, identifiable as 'Investors'. The website provides detailed information about the Company, its products and services offered, locations of its corporate offices and various sales offices etc. The website contains comprehensive database of Quarterly Results, Annual Reports, Shareholding patterns, Corporate Governance Report and other communications are updated on the website of the Company. The basic information about the Company as called for in terms of the Listing Regulations is provided on the Company's website and the same is updated regularly.

**xxii) Prevention of Insider Trading:**

Pursuant to provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company has formulated the Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of trading by Insiders / Designated Persons and immediate relative of Designated Persons and the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information which allow the formulation of a trading plan subject to certain conditions and require pre clearance for dealing in the Company's shares. The Company's policy also prohibits the purchase and / or sale of Company's shares by an insider while in possession of unpublished price sensitive information of the company and also during the certain prohibited periods.

**(16) Other Disclosures:**

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

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

As required by the IND AS-24, the details of related party transactions are given in Note No. 45 to the notes on financial statements for the Financial Year 2020-21, 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:*

Nil in last three years.

However following matter is still pending for disposal:

In the year 2015 the Adjudicating Officer of SEBI has passed an order imposing penalties of ₹ 21.25 Lakhs against all promoter entities of BCMA some of them are promoter entity of Walchandnagar Industries Limited also, with reference to purchase of shares of BCMA by Walchand Kamdhenu Commercials Pvt. Ltd. This matter is currently pending in Supreme Court of India.

- iv) *Vigil Mechanism / Whistle Blower Policy:*

The Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated a Whistle Blower Policy to report genuine concerns or grievances. Protected disclosures can be made by a whistle blower through an e-mail, or telephone line or a letter to the Chairman of the Audit Committee or the Company Secretary of the Company or any member of the Audit Committee. The Policy on vigil mechanism /whistle blower policy may be accessed on the Company's website at the link <https://walchand.com/wp-content/uploads/2019/03/Whistle-Blower-Policy-Effective-From-April-1-2019-.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:

#### **AUDIT QUALIFICATION**

The Company is in the regime of unmodified opinions on financial statements.

#### **REPORTING OF INTERNAL AUDITOR**

The Internal Auditor directly reports to the Audit Committee.

- vi) The Company's policy in dealing with Material Subsidiaries is placed on the website and can be accessed through weblink <https://walchand.com/wp-content/uploads/2019/03/Policy-on-MateriSubsidiary-Effective-From-April-1-2019-.pdf>.
- vii) The Company's policy in dealing with Related Party Transactions is placed on the website and can be accessed through weblink <https://walchand.com/wp-content/uploads/2019/03/Related-Party-Transaction-Policy-Effective-From-April-1-2019-.pdf>.
- viii) Certificate as required under Part C of Schedule V of Listing Regulations, have been received from M/s. V. N. Deodhar & Co. (FCS NO.1880 & COP No. 898), Practicing Company Secretaries, that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority, is annexed to the Report.
- ix) Total Fees for all services paid by the Listed entity to the statutory auditor :

Total fees for financial Year 2020-21, for all services as mentioned below, was paid by the Company to the Statutory Auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

<b>PAYMENT TO AUDITORS</b>	<b>Basic</b>	<b>GST</b>	<b>Gross</b>
Audit Fees	2,475,000.00	445,504.00	2,920,504.00
Tax Audit Fees	225,000.00	40,496.00	265,496.00
In Other Capacity (Certification)	98,000.00	17,640.00	115,640.00
Reimbursement of out of pocket expenses	11,105.00	-	11,105.00
<b>Total</b>	<b>2,809,105.00</b>	<b>503,640.00</b>	<b>3,312,745.00</b>

x) *Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:*

- a. number of complaints filed during the financial year : Nil
- b. number of complaints disposed of during the financial year : Nil
- c. number of complaints pending as on end of the financial year : Nil

xi) *Corporate Identity Number (CIN):*

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

xii) *Compliance Certificate from Auditors on Corporate Governance:*

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

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

The Reconciliation of Share Capital Audit is carried out by M/s. V. N. Deodhar & Co., Practicing Company Secretaries every quarter and report thereon is submitted to the Stock Exchanges along with half yearly Compliance Certificate as per Regulation 40 (9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and placed before the Board of Directors.

xiv) *Compliance of Corporate Governance Requirements Specified in Regulation 17 to 27 and Regulation 46(2)(B) to (I) of Listing Regulations:*

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

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

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

- (a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e 1<sup>st</sup> April, 2020 - 55 Shareholders and 11940 Shares.
- (b) Number of shareholders who approached Company for transfer of shares from suspense account during the year – NIL.
- (c) Number of shareholders to whom shares were transferred from suspense account during the year – NIL.
- (d) Number of shares transferred to IEPF – NIL
- (e) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year i.e. 31<sup>st</sup> March, 2021 - 55 Shareholders and 11940 Shares
- (f) Voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares - Yes.

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C Clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015)

To,

The Members,

**WALCHANDNAGAR INDUSTRIES LIMITED**

3, Walchand Terraces,

Opp. Air conditioned Market,

Tardeo Road,

Mumbai-400 034.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Walchandnagar Industries Limited having CIN L74999MH1908PLC000291 and having Registered Office at 3, Walchand Terraces, Opp. Air conditioned Market, Tardeo Road, Mumbai-400 034 (hereinafter referred to as 'the Company') produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C – sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Director Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company and its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
01	MR. CHAKOR LALCHAND DOSHI	00210949	15/05/1979
02	MR. DILIP JAYANTILAL THAKKAR	00007339	10/03/2003
03	DR. ANIL PURUSHOTTAM KAKODKAR	03057596	27/12/2010
04	MRS. RUPAL ANAND VORA	07096253	07/08/2019
05	MR. GOPI KUMAR PILLAI	01537184	25/11/2012
06	MR. CHIRAG CHAKOR DOSHI	00181291	25/11/2007

Ensuring the eligibility of the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

**V. N. DEODHAR**  
**PROP.**

**FCS NO. 1880**

**C.P. NO. 898**

**UDIN: F001880C000289596**

**Place: Mumbai**

**Date: May 13, 2021**



## DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT

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

The Board laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company on 1<sup>st</sup> March, 2005 and the same has been revised in the Board Meeting held on February 06, 2019. 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, 2021.

Date: June 29, 2021

**Chirag C. Doshi**  
Managing Director & CEO

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## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF

### **Walchandnagar Industries Limited**

We have examined the compliance of conditions of Corporate Governance as stipulated at Para C of Schedule V in terms of regulations 34 (3) and 53 (f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Regulations') and the listing agreement of Walchandnagar Industries Limited with the stock exchanges for the year ended March 31, 2021.

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

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

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

**For Jayesh Sanghrajka & Co. LLP.**  
Chartered Accountants  
Registration No. 104184W

**Ashish Sheth**  
Designated Partner  
Membership No. 107162  
UDIN : 20107162AAAAAH1999

Place: Mumbai  
Dated: June 29, 2021

## ANNEXURE 'C' 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) Reconditioning and upgradation LPG Furnace 65 Ton completed in September 2020, Reduction In heat loss, improvement in efficiency of LPG Furnace, achieve uniformity in temperatures within +/-5 deg. Also providing heat recovery unit(recuperator) to save energy.
- 2) Reconditioning of Carborizing furnace is completed in February 2021 by replacement of refractory bricks and heating coils , Reduction In heat loss, improvement in efficiency of carborizing furnace in heat treatment section and resulting in reduction of power consumption of furnace.
- 3) VFD for spindle motor of CVBM -400 VTL to reduce power consumption of machine by 40%;
- 4) Upgradation of switching devices & controllers to improved PF from 0.90 to 0.98.

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

- 1) Solar power plant project study of feasibility is in progress.
- 2) Overhauling of screw element of GA90 screw compressor to improve efficiency.
- 3) Westerwork furnace upgradation to improvement in efficiency.
- 4) Harmonic filters cum RTPFC to improve power quality and PF.

##### (c) Capital Investments in Energy Conservation Equipment during the year

During the year Capital Investment of ₹ 89.14 lakh was made for upgradation and re-conditioning of equipment.

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

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

- Development of 35Mt Mountain foot bridge

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

- Ability to process critical jobs related to Defense sector

##### (3) Future Plan of Action:

- Development of Bi junction welding for nuclear application

##### Expenditure on R&D

₹ In Lakhs

Capital (Development Expenditure)	0.00
Recurring	38.25
Total	38.25
Total R&D Expenditure Percentage to turnover (%)	0.12%

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

Nil

##### (5) Technology absorption, adaptation and innovations:

###### (i) Efforts in brief made towards technology absorptions:

- Continuous monitoring of technology trends.
- Continuous interaction & exchange of information.
- Development of new product for VSSC.
- Development of New centrifugal Machine model WB-2000
- Development of grease lubricated batch type centrifugal machine (presently lubricated by oil mist)
- Development of Decanter (horizontal centrifugal machines) - primarily used in applications like water purification, effluent treatment, industrial waste management etc.

###### (ii) Benefits derived as a result of above efforts:

- Improvement in manufacturing methods and quality standards.
- Enhancing engineering skills.
- Development of energy efficient, cost effective & high performance engineering products.
- Obtaining more order in future.
- To enhance product range from 500 kg per charge to 2000 kg per charge. Current range is up to 1750 kgs per charge. This Centrifugal Machine will cater to the requirement of bigger size sugar plants, i.e 5000 TCD and above.
- Elimination of oil mist lubrication will result in ease to maintenance of Centrifugal Machine, Reduction in maintenance cost, Avoid contamination of oil with sugar.
- To explore potential upscaling of the present manufacturing operations to cater to the domestic as well as global demand under a technology sharing/licensed manufacturing agreement with a global player.

#### (C) FOREIGN EXCHANGE EARNING AND OUTGO :

Foreign exchange used and earned:

Earnings in Foreign Exchange	₹ 731 Lakhs
Foreign Exchange Outgo	₹ 569 Lakhs

## ANNEXURE "D" TO THE DIRECTORS REPORT

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

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary during the Financial Year from April 01, 2020 to March 31, 2021, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year from April 01, 2020 to March 31, 2021, and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

S r . No.	Name of Director / KMP for the Financial Year 2020-21	Remuneration of Director / KMP for the Financial Year 2020-21	% increase in Remuneration	Ratio of Remuneration of each Director to the median remuneration of employees \$
(i)	(ii)	(iii)	(iv)	(v)
1.	Mr. Chirag C. Doshi Managing Director & CEO	1,40,17,416	*	37.32:1
2.	Mr. Sandeep Jain, Chief Financial Officer	67,97,008		
3.	Mr. G. S. Agrawal Vice President (Legal & Taxation) & Company Secretary	39,11,524		

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

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

In the Financial Year, there was 8.36% increase in the median remuneration of employees;

There were 1508 permanent employees on the rolls of Company as on March 31, 2021;

#### 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 scale based on 12 months average basis due to rationalization of our manpower during the Financial Year. Some revision in remuneration of Employees were awarded based on performance appraisal and to meet the inflation. 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.

## ANNEXURE 'E' TO THE DIRECTORS' REPORT

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

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

To,  
The Members,  
**WALCHANDNAGAR INDUSTRIES LIMITED**  
3, Walchand Terraces  
Opp. Air conditioned Market,  
Tardeo Road,  
Mumbai-400 034.

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

Based on our verification of the Walchandnagar Industries Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2021 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 March 31, 2021 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 thereunder;
- (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 there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the Company during the Audit Period),**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011,
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015,
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the Audit Period)**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014,
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, **(Not applicable to the Company during the Audit Period)**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period) and**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit Period).**
- (vi) 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, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company.

- a) The Indian Boiler Act, 1923
- b) The Explosives Act, 1884
- c) The Environment (Protection) Act, 1986
- d) The Water (Prevention and Control of Pollution) Act, 1974
- e) The Air (Prevention and Control of Pollution) Act, 1981

We have been informed that the compliance of the above laws is monitored on monthly basis by the Compliance officer/ Chief Internal Auditor 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/ Chief Internal Auditor on compliance of various statutes 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) Auditing Standards issued by The Institute of Company Secretaries of India and
- (iii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

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

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

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

**UDIN: F001880B000384405**

**Place: Mumbai**

**Date: 29<sup>th</sup> June, 2021**

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

**Annexure A**

To,  
The Members,  
Walchandnagar Industries Limited,

Our Secretarial Audit Report of even date for the Financial Year ended March 31, 2021 is to be read along with this letter.

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

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

**V. N. DEODHAR**  
**PROP.**  
**FCS NO.1880**  
**C.P. No. 898**  
**UDIN: F001880B000384405**

**Place: Mumbai**  
**Date: 29<sup>th</sup> June, 2021**



## INDEPENDENT AUDITOR'S REPORT

To the Members of

**WALCHANDNAGAR INDUSTRIES LIMITED**

**Report on the Audit of the Financial Statements**

### Opinion

We have audited the accompanying financial statements of **WALCHANDNAGAR INDUSTRIES LIMITED ("the Company")** which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information in which are included the Returns for the year ended on that date audited by the independent auditor of the Company's division located in Ethiopia.

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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and loss, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, whereof most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

- a. Expected credit loss on trade receivables is measured through loss allowance. The company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on provision matrix. This area required significant attention since there was a significant amount of management estimates.

We had detailed discussion with respective business heads about the method of estimates. We verified details of

Liquidated Damages charged by clients and total sales for the period from 1<sup>st</sup> April 2016 to 31<sup>st</sup> March 2021 which were used by the management in their analyses of historical credit loss experience. We also verified the contract documents, correspondences with client pertaining to projects where specific loss provisioning was made. Management estimate is based on such forward information and historical data to derive division-wise provisioning values.

- b. Calculation for percentage completion for revenue for projects operating over time under IND AS 115. This area has significant quantum of estimates in calculating Cost to Complete. This area required significant attention since there was a significant amount of estimates.

Management has prepared profitability statements for all the projects which are operating over time as per IND AS 115. We verified total contract values from Signed Contract with customers, total revenue billed with invoices submitted to clients. The company has adopted Input Method for arriving at percentage of completion method. We verified total Cost incurred for each project as per books of accounts, total Cost to Complete each project from Budget as reviewed by projects heads on every reporting date. It was verified that the cost for completing balance work is reviewed and revised wherever necessary based on current scenario and future expectations.

- c. IND AS 115 requires variable consideration in form of Liquidated Damages to be recognized either by expected value or most likely value. The Company has adopted expected value by deferring revenue against liquidated damages of all the projects for which contractual delivery date have expired but contractual obligation not met. This area of calculation of deferred revenue due to implication of liquidated damages for the projects required significant auditor attention since there was a significant amount of estimation.

We had detailed discussion with respective business heads about the method of estimates of expected Liquidated Damages. List of projects for which contractual due date has expired and committed extent of work is not completed were reviewed. We verified details of Liquidated Damages charged by clients and total sales for the period from 1<sup>st</sup> April 2016 to 31<sup>st</sup> March 2021 which were used by the management in their analyses of historical experience. We also verified the contract documents, correspondence, if any with client pertaining to projects. Based on such estimation and past experience, expected Liquidated Damages were arrived at and adjusted from Revenue.

- d. Balance confirmation of Trade receivables could not be received. Further, management has informed us to avoid call for balance confirmation in case of certain trade receivables due to the fact that they operate in sensitive areas such as nuclear, defense, aerospace and missiles wherein

the customers follow confidentiality norms from national interest point of view.

We undertook alternative procedures to verify balances of certain trade receivables on sample basis. We examined correspondences after reporting date, certain sales transactions documentation near to year end and subsequent receipts from such party.

### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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. This responsibility also includes the 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and

using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events

or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Emphasis of Matter

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

- Refer Note 54 which mentions about valuation of work-in-progress inventory of cancelled / put on hold orders amounting to ₹ 2194.21 Lakhs on account of orders which have been cancelled/put on hold by various clients. The Company contends that this stock will either be liquidated or diverted to other projects without any loss arising therefrom.

Our report is not modified in respect of this matter.

#### Other Matter

We did not audit the financial statements / information of Ethiopia division included in the financial statements of the Company whose financial statements / financial information reflect total assets of ₹ 1286.19 lakhs and total liabilities of ₹ 1265.96 lakhs as at March 31,

2021 and the total revenue of ₹ NIL and total expenses of ₹ 9.32 Lakhs for the year ended on that date. The financial statements / information of this division have been audited by the independent auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of such division, is based solely on the report of such auditor.

Our opinion is not modified in respect of this matter.

#### Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- As required by Section 143(3) of the Act, we report that:
  - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from overseas division not visited by us.
  - The reports on the accounts of the overseas Ethiopia division of the Company audited by independent auditor have been sent to us and have been properly dealt with by us in preparing this report.
  - The Balance Sheet, the Statement of Profit and loss, changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from the division not visited by us.
  - 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.
  - On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
  - 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".

- h. 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 50 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 Jayesh Sanghrajka & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 104184W/W100075

**Ashish Sheth**

Designated Partner

Membership Number: 107162

Place: Mumbai

Date: June 29, 2021

UDIN: 21107162AAAABF7083

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

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

- i. In respect of the Company's fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date except in respect of land Survey Nos. 317/1B, 303 A/2 and 337, whose records are not available.
- ii. The Management has conducted physical verification of inventory at reasonable intervals during year. According to the information and explanations given to us, no material discrepancies were noticed on such verification. Since our attendance was not possible due to lockdown restrictions, we have relied upon management representation of physical verification of inventory.
- iii. The Company has not granted any secured or unsecured loans to companies, firms or other parties covered in the Register maintained under section 189 of the Companies Act, 2013. Therefore, clause 3 (iii) of the said Order is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the company doesn't have any loans, investments, guarantee or security to which the provisions of section 185 and 186 of the Companies Act 2013 apply.
- v. The Company has not accepted any deposits during the year to which the provisions of section 73 to 76 of the Companies Act, 2013 and Companies (Acceptance of deposits) Rules, 2014 apply. According to the information and explanation given to us no order has been received from Company Law Board, National Company Law Tribunal or Reserve Bank of India or any court or tribunal by the Company.
- vi. We have broadly reviewed the cost records maintained by the Company specified by the Central Government under section 148(1) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, and other material statutory dues applicable to it with the appropriate authorities
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
  - (c) Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2021 on account of dispute are given below:

S r . No	Name of Statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which amount relates	Forum where the dispute is pending
1	Maharashtra Land Revenue Code	NA Tax	16.18	1982 to 2003	Tahsildar, Indapur
		NA Tax	58.58	1994 to 2003	
2	Pune Municipal Corporation	Municipal Taxes	99.02	2008-09 to 2012-13	Court of Small Causes, Pune
3	Central Sales Tax, 1956	Central Sales Tax	159.83	2005-06	Sales Tax (Appellate Tribunal), Mumbai
4	Central Sales Tax, 1956	Central Sales Tax	92.92	2011-12	Joint Commissioner of Sales Tax, (Appeals) Pune
5	Central Sales Tax, 1956	Central Sales Tax	367.14	2013-14	Joint Commissioner of Sales Tax, (Appeals) Pune
6	Central Sales Tax, 1956	Central Sales Tax	224.93	2014-15	Joint Commissioner of Sales Tax, (Appeals) Pune.
7	Central Sales Tax, 1956	Central Sales Tax	80.81	2015-16	Joint Commissioner of Sales Tax, (Appeals) Pune.
8	Central Sales Tax, 1956	Central Sales Tax	104.86	FY 2016-17	Deputy Commissioner of Sales Tax, Pune.
9	Central Sales Tax, 1956	Central Sales Tax	279.53	FY 2017-18	Deputy Commissioner of Sales Tax, Pune.
10	Customs Act, 1962	Customs Duty	64.50	July, 2008	Hon'ble High Court, Madras
11	Service Tax	Service Tax	362.65	2006 to 2010	CESTAT, Kolkata
12	Service Tax	Service Tax & Penalty	1334.66	March 2013 to December 2015	CESTAT, Mumbai
13	Andhra Pradesh General Sales Tax Act, 1957	Value Added Tax	100.2	June 2014 to March 2016	Additional Commissioner (Appeal), Vijayawada
14	APGST Act	SGST and CGST	348.17	July 2017 to June 2018	Additional Commissioner (Appeal), Vijayawada
15	Andhra Pradesh General Sales Tax Act, 1957	Value Added Tax	313.66	2011	Hon'ble High Court, Hyderabad
16	The Employees Provident Funds and Miscellaneous Provisions Act, 1952	Employee Provident Fund	50.68	2006-07	Hon'ble High Court, Mumbai

- viii. To the best of our knowledge and according to the information and explanations given to us, the Company has defaulted in repayment of loans from financial institutions and dues from debenture holders. Details of defaults are as follows:

Name of Lender	Nature of Borrowing	Amount of default (including Interest)	Period of default (in days)
KKR India Financial Services Pvt Ltd	Corporate Loan	19,14,57,331	1
KKR India Debt Opportunity Fund II	Non Convertible Debenture	6,84,01,018	1

- 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. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Jayesh Sanghrajka & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 104184W/W100075

**Ashish Sheth**

Designated Partner

Membership Number: 107162

Place: Mumbai

Date: June 29, 2021

UDIN: 21107162AAAABF7083

## ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

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

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of WALCHANDNAGAR INDUSTRIES LIMITED (“the Company”) as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

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

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### **Meaning of Internal Financial Controls over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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.

### **Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **For Jayesh Sanghrajka & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 104184W/W100075

### **Ashish Sheth**

Designated Partner

Membership Number: 107162

Place: Mumbai

Date: June 29, 2021

UDIN: 21107162AAAABF7083

## BALANCE SHEET AS AT MARCH 31, 2021

Particulars	Note No.	₹ in Lakhs	
		As at March 31, 2021	March 31, 2020
<b>ASSETS</b>			
(a) Property, Plant and Equipment	3	31,874	33,120
(b) Capital Work-in-Progress		379	855
(c) Investment Property	4	189	189
(d) Intangible Assets	5	84	98
(e) Financial Assets			
(i) Investments	6	5	8
(ii) Trade Receivables	7	5,882	5,646
(iii) Other Financial Assets	8	261	269
(f) Non Current Tax Asset (Net)		1,038	1,304
(g) Other Non-Current Assets	9	3,948	4,587
<b>Total Non - Current Assets</b>		<b>43,661</b>	46,076
<b>Current Assets</b>			
(a) Inventories	10	15,349	23,493
(b) Financial Assets			
(i) Trade Receivables	11	20,928	19,867
(ii) Cash and Cash Equivalents	12	292	321
(iii) Other Balances with Banks	13	4,520	3,986
(iv) Other Financial Assets	14	6,720	5,200
c) Other Current Assets	15	4,222	5,670
<b>Total Current Assets</b>		<b>52,031</b>	58,537
<b>Non Current Asset held for sale</b>	16	111	-
<b>Total Assets</b>		<b>95,803</b>	104,613
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	17	761	761
(b) Other Equity	18	20,409	26,147
Equity Attributable to Owners of the Company		<b>21,171</b>	26,908
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	19	10,546	15,912
(ii) Other Financial Liabilities	20	4,183	3,287
(b) Provisions	21	1,439	1,300
(c) Other Non-Current Liabilities	22	9,876	6,841
<b>Total Non - Current Liabilities</b>		<b>26,045</b>	27,341
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	23	22,732	22,149
(ii) Trade Payables	24		
(A) Total outstanding dues of micro enterprises and small enterprises		404	529
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises.		6,651	8,195
(iii) Other Financial Liabilities	25	11,942	6,341
(b) Provisions	26	324	364
(c) Other Current Liabilities	27	6,535	12,788
<b>Total Current Liabilities</b>		<b>48,588</b>	50,364
<b>Total Equity and Liabilities</b>		<b>95,803</b>	104,613

See accompanying notes forming part of the financial statements

### As per our report attached

For **Jayesh Sanghrajka & Co. LLP**

Chartered Accountants

FRN.: 104184W/W100075

### Ashish Sheth

Designated Partner

Membership No.: 107162

Date: June 29, 2021

Place: Mumbai

### For Walchandnagar Industries Limited

#### Chirag C. Doshi

Managing Director & CEO

DIN- 00181291

#### Sandeep Jain

Chief Financial Officer

Date: June 29, 2021

Place: Mumbai

#### Dilip J. Thakkar

Director

DIN- 00007339

#### G. S. Agrawal

Vice President (Legal & Taxation)  
& Company Secretary

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2021

Particulars	Note No.	₹ in Lakhs except Earnings per share	
		Year Ended	
		March 31, 2021	March 31, 2020
I Revenue from Operations	28	32,564	29,805
II Other Income	29	2,503	2,017
<b>III Total Revenue (I +II)</b>		<b>35,067</b>	<b>31,822</b>
<b>IV EXPENSES</b>			
Cost of Materials consumed	30	9,681	13,990
Sub-contracting expenses, Processing charges and Other Direct Costs	31	1,535	2,001
Changes in inventories of finished goods and work-in-progress	32	6,648	(4,273)
Employee Benefits Expense	33	8,139	8,366
Finance Costs	34	7,905	8,652
Depreciation and Amortisation Expense	35	2,297	2,300
Other Expenses	36	4,586	6,353
<b>Total Expenses</b>		<b>40,791</b>	<b>37,389</b>
<b>V Profit/(Loss) before Tax and Exceptional Items (III-IV)</b>		<b>(5,724)</b>	<b>(5,567)</b>
<b>VI Exceptional Items</b>			
Exceptional Items		-	979
<b>Profit/(Loss) before Tax after Exceptional Items (V-VI)</b>		<b>(5,724)</b>	<b>(6,546)</b>
<b>VII Tax Expense</b>			
Current Tax		-	-
Deferred Tax		-	-
<b>Total Tax Expense</b>		<b>-</b>	<b>-</b>
<b>VIII Profit/(Loss) after tax (VI-VII)</b>		<b>(5,724)</b>	<b>(6,546)</b>
<b>IX Other Comprehensive Income</b>			
A I. Items that will not be reclassified to Profit or Loss			
(a) Remeasurements of the Defined Benefit Liabilities - gain / (loss)		(12)	(76)
(b) Equity Instruments through Other Comprehensive Income - gain / (loss)		(1)	(4)
II. Income Tax relating to items that will not be reclassified to Profit or Loss		-	-
B I. Items that will be reclassified to Profit or Loss		-	-
<b>Total Other Comprehensive Income</b>		<b>(13)</b>	<b>(80)</b>
<b>X Total Comprehensive Income (VII + VIII)</b>		<b>(5,737)</b>	<b>(6,626)</b>
<b>Earnings per Equity Share (Face Value ₹ 2) in ₹</b>			
Basic		(15.04)	(17.20)
Diluted		(15.04)	(17.20)

See accompanying notes forming part of the financial statements

**As per our report attached**For **Jayesh Sanghrajka & Co. LLP**Chartered Accountants  
FRN.: 104184W/W100075**Ashish Sheth**Designated Partner  
Membership No.: 107162**For Walchandnagar Industries Limited****Chirag C. Doshi**  
Managing Director & CEO  
DIN- 00181291**Sandeep Jain**  
Chief Financial Officer**Dilip J. Thakkar**  
Director  
DIN- 00007339**G. S. Agrawal**  
Vice President (Legal & Taxation)  
& Company SecretaryDate: June 29, 2021  
Place: MumbaiDate: June 29, 2021  
Place: Mumbai

## CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2021

₹ in Lakhs

Particulars	Year ended	
	March 31, 2021	March 31, 2020
<b>A Cash Flow from Operating Activities</b>		
Profit/(Loss) before tax	(5,724)	(6,546)
<b>Adjustments for :</b>		
Depreciation and Amortization Expense	2,297	2,300
Amortization of Lease hold Land	66	66
Provision for doubtful debts	(1,870)	(1,824)
(Profit)/ Loss on sale of Asset	(113)	950
Finance Costs	7,905	8,652
Unrealized Exchange (Gain) / Loss (net)	193	198
Sundry Balances Written back	(1,756)	(557)
Interest Income	(178)	(378)
Rental Income from Investment property	(7)	(10)
Bad Debts Witten off	2,751	3,721
Dividend Income on Current Investments	-	(1)
(Profit) / loss on sale of Current Investments	-	5
Provision written back	-	(249)
	<b>9,287</b>	<b>12,873</b>
<b>Operating profit before working capital changes</b>	<b>3,563</b>	<b>6,327</b>
<b>Change in operating assets and liabilities</b>		
(Increase)/ decrease in trade receivables	(2,371)	5,332
(Increase)/ decrease in other financial assets	(1,513)	(1,106)
(Increase)/ decrease in other assets	1,721	495
(Increase)/ decrease in inventories	8,144	(4,017)
Increase/ (decrease) in trade payable	(664)	(739)
Increase/ (decrease) in other financial liabilities	170	(598)
Increase/ (decrease) in provisions	88	54
Increase/ (decrease) in other liabilities	(2,466)	106
	<b>3,109</b>	<b>(472)</b>
Cash Generated from Operations	<b>6,672</b>	<b>5,855</b>
Income Tax Refund / (Paid) (net)	<b>445</b>	-
<b>Net cash inflow from operating activities (A)</b>	<b>7,117</b>	<b>5,855</b>
<b>B Cash Flow from Investing Activities</b>		
Purchase of tangible/intangible assets including capital work in progress	(666)	(1,507)
Proceeds from Sale of Property, Plant and Equipment	230	37
(Purchase)/Sale of Non Current Investments	0	136
(Purchase)/Sale of Current Investments	-	165
Rent received on Investment Property	7	10
Proceed from sale of assets held for sale	-	1,999
Fixed Deposit / Margin Money Realized/(Paid)	(437)	2,664
Dividend received on current investment	-	1
Interest Received	82	398
<b>Net cash inflow from investing activities (B)</b>	<b>(784)</b>	<b>3,903</b>

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2021**

₹ in Lakhs

Particulars	Year ended	
	March 31, 2021	March 31, 2020
<b>C Cash Flow from Financing Activities</b>		
Proceeds/(Repayments) of Long-Term Borrowings (Net)	(2)	(5,369)
Proceeds/(Repayments) of Short-Term Borrowings (Net)	583	484
Interest paid	(6,943)	(7,229)
<b>Net cash outflow from financing activities (C)</b>	<b>(6,362)</b>	<b>(12,114)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(29)</b>	<b>(2,356)</b>
<b>Cash and Cash Equivalents at the beginning of the period</b>	<b>321</b>	<b>2,677</b>
<b>Cash and Cash Equivalents at the end of the period</b>	<b>292</b>	<b>321</b>
<b>Cash &amp; Cash Equivalents comprises of :</b>		
<b>Particulars</b>	<b>As at</b>	<b>As at</b>
	<b>March 31, 2021</b>	<b>March 31, 2020</b>
Cash on hand	12	26
Cheques on Hand	56	-
Balances with banks	224	275
Deposits having original maturity of less than three months	-	20
<b>Total</b>	<b>292</b>	<b>321</b>

See accompanying notes forming part of the financial statements

**As per our report attached**For **Jayesh Sanghrajka & Co. LLP**Chartered Accountants  
FRN.: 104184W/W100075**Ashish Sheth**Designated Partner  
Membership No.: 107162Date: June 29, 2021  
Place: Mumbai**For Walchandnagar Industries Limited****Chirag C. Doshi**  
Managing Director & CEO  
DIN- 00181291**Sandeep Jain**  
Chief Financial OfficerDate: June 29, 2021  
Place: Mumbai**Dilip J. Thakkar**  
Director  
DIN- 00007339**G. S. Agrawal**  
Vice President (Legal & Taxation)  
& Company Secretary

## STATEMENTS OF CHANGES IN EQUITY

### A. Equity Share Capital

₹ in Lakhs

Balance as of April 1, 2020	Changes in equity share capital during the period	Balance as at March 31, 2021
761	-	761
Balance as of April 1, 2019	Changes in equity share capital during the period	Balance as at March 31, 2020
761	-	761

### B. Other Equity

Particulars	Securities Premium	Capital Redemption Reserve	General Reserve	Retained Earnings	Remeasurements of the Defined Benefit	Equity Instruments through Other Comprehensive Income	Total
<b>Balance as at April 1, 2020</b>	4,994	50	5,606	15,603	(268)	161	26,147
Loss for the year				(5,724)		-	(5,724)
Other Comprehensive Income (net)				-	(12)	(1)	(13)
Total Comprehensive income for the year	-	-	-	(5,724)	(12)	(1)	(5,737)
<b>Balance as at March 31, 2021</b>	<b>4,994</b>	<b>50</b>	<b>5,606</b>	<b>9,878</b>	<b>(280)</b>	<b>160</b>	<b>20,409</b>

Particulars	Securities Premium	Capital Redemption Reserve	General Reserve	Retained Earnings	Remeasurements of the Defined Benefit	Equity Instruments through Other Comprehensive Income	Total
<b>Balance as at April 1, 2019</b>	4,994	50	5,606	22,149	(192)	165	32,773
Loss for the year				(6,546)		-	(6,546)
Other Comprehensive Income (net)				-	(76)	(4)	(80)
Total Comprehensive income	-	-	-	(6,546)	(76)	(4)	(6,626)
<b>Balance as at March 31, 2020</b>	<b>4,994</b>	<b>50</b>	<b>5,606</b>	<b>15,603</b>	<b>(268)</b>	<b>161</b>	<b>26,147</b>

See accompanying notes forming part of the financial statements

**As per our report attached**

For **Jayesh Sanghrajka & Co. LLP**

Chartered Accountants  
FRN.: 104184W/W100075

**Ashish Sheth**

Designated Partner  
Membership No.: 107162

Date: June 29, 2021  
Place: Mumbai

**For Walchandnagar Industries Limited**

**Chirag C. Doshi**  
Managing Director & CEO  
DIN- 00181291

**Sandeep Jain**  
Chief Financial Officer

Date: June 29, 2021  
Place: Mumbai

**Dilip J. Thakkar**  
Director  
DIN- 00007339

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

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

### 1. Corporate Information :

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

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

The financial statements for the year ended March 31, 2021 were approved by the Board of Directors and authorised for issue on June 29, 2021.

### 2. Significant accounting policies :

#### 2.1 Statement of Compliance :

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.

#### 2.2 Basis of preparation of financial statements :

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

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

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

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

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

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

#### 2.3 Use of Estimates :

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

#### Critical accounting estimates

##### i) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured regardless of the time of receipt of the consideration. Revenue is recognised at the fair value of the consideration received or receivable, taking into consideration the defined terms and conditions of payment in the contract. Taxes and duties collected on behalf of the government are excluded.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

The specific recognition criteria of revenue recognition have been defined in para 2.9

### ii) **Income taxes**

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

### iii) **Property, plant and equipment**

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

### iv) **Provisions**

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

### v) **Fair value measurement of financial instruments**

The Company measures financial instruments, such as, Investments at fair value at each balance sheet date using valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: a) In the principal market for the asset or liability, or b) In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## 2.4 **Current versus non-current classification :**

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

An asset is treated as current when it is:

- i. Expected to be realised or intended to be sold or consumed in normal operating cycle,
- ii. Held primarily for the purpose of trading,

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)**

- iii. Expected to be realised within twelve months after the reporting period, or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- i. It is expected to be settled in normal operating cycle,
- ii. It is held primarily for the purpose of trading,
- iii. It is due to be settled within twelve months after the reporting period, or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

**2.5 Property, Plant & Equipment and Intangible assets :**

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

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

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

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

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

Technical know-how is amortized in six years.

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

**Depreciation & Amortisation**

Depreciation on Property, Plant & Equipment including assets taken on lease is charged based on straight line method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013. For any addition / disposal of assets, depreciation is charged on prorata basis depending upon the number of days assets was in use.

The company has taken technical report on balance useful life of assets during the year. Accordingly, depreciation has been calculated based on such revised useful life of the assets.

**2.6 Investment:**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost.

However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

### Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. All of the Company's property interests held under operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties. After initial recognition, the company measures investment property at cost.

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

Investment properties are depreciated in accordance to the class of asset that it belongs and the life of the asset is as conceived for the same class of asset at the Company

### 2.7 Leases :

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

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

#### i) Finance Lease

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

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

#### ii) Operating Lease

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

#### iii) Sale and Lease back transaction

In case of a sale and leaseback transaction resulting in a finance lease, any excess or deficiency of sales proceeds over the carrying amount is deferred and amortised over the lease term in proportion to the depreciation of the leased asset.

Profit or Loss on Sale and Lease back arrangements resulting in finance leases are recognised, in case the transaction is established at fair value, else the excess over the fair value is deferred and amortised over the period for which the asset is expected to be used.

### 2.8 Impairment of Assets :

#### i) Financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

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

### ii) Non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. The recoverable amount of the tangible & intangible assets is estimated as the higher of its net selling price and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account. An impairment loss is recognised whenever the carrying amount of an tangible & intangible asset or a cash generating unit exceeds its recoverable amount. Impairment loss is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

### 2.9 Revenue recognition :

The Company recognises revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer. An asset is transferred when the customer obtains control of that asset.

#### A Product Sales

- a. In case of sale of products the revenue is recognised at a point in time .
- b. Domestic sales of manufactured items are recognized on dispatch and are stated net of returns, discounts and rebates. Sales are recorded exclusive of applicable taxes.
- c. Amount recognised as sales are adjusted for any variable consideration as per terms of the contract.
- d. 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.
- e. Income on items delivered directly by suppliers/sub-contractors to the client is recognized on dispatch and receipt of suppliers'/sub-contractors' invoices.
- f. Income on account of price variation on sale of goods is recognized on the acceptance of the claim by the client and on certainty of its realization.

#### B Contract Revenue

- a. In case of contracts which involves supply of goods and services and where company transfers control and satisfies performance obligation over time, the revenue is recognised over time. The company recognises revenue for a performance obligation satisfied over time only if its progress towards complete satisfaction of the performance obligation is reasonably measured. The company has used Input Method for measuring progress.
- 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. Escalation claims explicitly mentioned in contracts with customers and which cannot be reversed subsequently are considered as variable claims. The claims have been estimated using the expected value method.

#### C Service Revenue

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

#### D Interest and Dividend Income

- a. Interest income is recognised using effective interest rate method.
- b. Dividend income is recognised when the Company's right to receive dividend is established

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

### **E Export Benefits**

Export benefits are recognized on actual basis.

### **F All other incomes are recognised on accrual basis.**

### **2.10 Liquidated damages :**

When revenue has been recognised after the contractual delivery period the amount of liquidated damages as per the terms of the contract has been reduced from the amount of revenue recognised.

When revenue has not been recognised and the contractual delivery date is over the amount of liquidated damages to be imposed by the customer has been recognised as an expense and adequate provisions have been made.

### **2.11 Inventories :**

Inventories which comprise raw materials, work-in-progress, finished goods, stock-in-trade, stores and spares, and loose tools are carried at the lower of cost and net realisable value.

- a. Raw materials, Components, Stores and Spares are valued at lower of cost or net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. 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 duties and other non recoverable taxes.

### **2.12 Government grants :**

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

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

Grants related to revenue are accounted for as other income in the period in which the related costs which Government intend to compensate are accounted for to the extent there is no uncertainty in receiving the same. Incentives which are in the nature of subsidies given by the Government which are based on the performance of the Company are recognised in the year of performance/ eligibility in accordance with the related scheme.

Government grants in the form of non-monetary assets, given at a concessional rate, are accounted for at their fair value.

### **2.13 Foreign currency transactions :**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets. Additionally, exchange gains or losses on foreign currency borrowings taken prior to April 1, 2016 which are related to the acquisition or construction of qualifying assets are adjusted in the carrying cost of such assets. Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

### 2.14 Financial Instruments :

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

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

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

#### i) Non-derivative financial instruments

##### Cash and cash equivalents

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

##### Financial assets at amortised cost

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

##### Financial assets at fair value

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

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

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

##### Financial liabilities

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

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

#### ii) Derecognition of financial instruments

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

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

### 2.15 Employee benefits :

#### i) Gratuity

The Company accounts for its gratuity liability, a defined retirement benefit plan covering eligible employees. The gratuity plan provides for a lump sum payment to employees at retirement, death, incapacitation or termination of the employment based on the respective employee's salary and the tenure of the employment. Liabilities with regard to a Gratuity plan are

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

determined based on the actuarial valuation carried out by an independent actuary as at the Balance Sheet date using the Projected Unit Credit method.

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

### ii) **Provident Fund**

The eligible employees of the Company are entitled to receive the benefits of Provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently at 12% of the basic salary) which are charged to the Statement of Profit and Loss on accrual basis. The provident fund contributions are paid to the Regional Provident Fund Commissioner by the Company.

The Company has no further obligations for future provident fund.

### iii) **Superannuation and ESIC**

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

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

### iv) **Compensated advances**

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

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

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

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

### v) **Other short term employee benefits**

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

## 2.16 **Borrowing costs :**

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

## 2.17 **Taxation :**

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

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

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

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

### Deferred income taxes

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

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

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

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

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

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

### 2.18 Earnings per Share :

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

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

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

### 2.19 Provision, Contingent Liabilities and Contingent Assets :

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance costs.

Contingent liabilities and Contingent assets are not recognized in the financial statements.

### 2.20 Segment Accounting :

Managing Director & CEO of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS-108, Operating Segments. He identifies and monitors the operating results of its business segments separately for purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. The Operating segments have been identified on the basis of the nature of products/services. The analysis of geographical segments is based on the revenue generating locations. The geographical segment information of the company is categorized under domestic sales and export sales.

#### A. Segment Reporting policies:

Following Accounting policies have been followed for segment reporting:

- i. Segment revenue includes sales and other income directly identifiable with/allocable to the segment including inter-segment revenue.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

- ii. Expenses that are directly identifiable with/allocable to segments are considered for determining the Segment Result. Expenses which relate to the Company as a whole and not allocable to segments are included under Un-allocable Corporate Expenses.
- iii. Income which relates to the Company as a whole and not allocable to segments is included in Un-allocable Corporate Incomes.
- iv. Segment result includes margins on inter-segment transactions, which are reduced in arriving at the profit before tax of the Company.
- v. Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

### **B. Inter-segment transfer pricing**

Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated basis.

### **2.21 Assets Held For Sale :**

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

### **2.22 Exceptional Item:**

When items of income and expense within statement of profit and loss from ordinary activities are of such size nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, nature and amount of such material items are disclosed separately as an Exceptional Item.

### **2.23 Cash and Cash Equivalent**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

### **2.24 Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

## Note 3 : Property, Plant and Equipment

Particulars	Gross Block			Accumulated Depreciation / Amortisation			Net Block		
	Cost as at April 01, 2020	Additions during the year	Deletions during the year	Balance as at March 31, 2021	As at April 01, 2020	Depreciation for the year	Deletions during the year	Upto March 31, 2021	As at March 31, 2021
Freehold Land	10,776			10,776	-	-	-	-	10,776
Buildings	14,947	541	175	15,313	2,554	686	61	3,179	12,134
Plant and Equipments	18,230	575		18,805	8,437	1,511		9,948	8,857
Furniture and Fixtures	103			103	77	11		88	15
Computers & Peripherals	53	15	5	63	41	8	4	45	18
Vehicles	112	0	2	110	63	21	1	83	27
Office Equipments	270	22		292	199	46		245	47
	<b>44,491</b>	<b>1,153</b>	<b>182</b>	<b>45,462</b>	<b>11,371</b>	<b>2,283</b>	<b>66</b>	<b>13,588</b>	<b>31,874</b>

Particulars	Gross Block			Accumulated Depreciation / Amortisation			Net Block		
	Cost as at April 01, 2019	Additions during the year	Deletions during the year	Balance as at March 31, 2020	As at April 01, 2019	Depreciation for the year	Deletions during the year	Upto March 31, 2020	As at March 31, 2020
Freehold Land	10,776	-	-	10,776	-	-	-	-	10,776
Buildings	14,702	245		14,947	1,944	611		2,554	12,393
Plant and Equipments	17,314	944	28	18,230	6,881	1,576	20	8,437	9,793
Furniture and Fixtures	103			103	63	14		77	26
Computers & Peripherals	52	1		53	31	10		41	12
Vehicles	112			112	42	21		63	49
Office Equipments	266	4		270	149	50		199	71
	<b>43,325</b>	<b>1,194</b>	<b>28</b>	<b>44,491</b>	<b>9,110</b>	<b>2,282</b>	<b>20</b>	<b>11,371</b>	<b>33,120</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

### Note: 1. Reclassification in categories of Fixed Assets in opening balance

₹ in Lakhs

Particulars	Gross Block as at 01.04.2019			Accumulated Depreciation as at 01.04.2019		
	Original Amount	Transfer to/ (From)	Adjusted Op. Amt	As at 1 <sup>st</sup> April 19	Transfer to/ (From)	Adjusted Op. Amt
Freehold Land	10,776		10,776	-		-
Buildings	14,702		14,702	1,941	3	1,944
Plant and Equipments	17,305	9	17,314	6,871	10	6,881
Furniture and Fixtures	125	(22)	103	86	(23)	63
Computers & Peripherals	28	24	52	8	23	31
Vehicles	141	(29)	112	72	(30)	42
Office Equipments	248	18	266	132	17	149
	<b>43,325</b>	<b>-</b>	<b>43,325</b>	<b>9,110</b>	<b>(0)</b>	<b>9,110</b>

### Note 4 : Investment Property

₹ in Lakhs

#### Description of Assets

As at

#### Land

March 31, 2021	March 31, 2020
<b>189</b>	189

₹ in Lakhs

As at

#### Particulars

#### I. Gross Block

Opening Balance

Additions/(deletion) during the year

Closing Balance

March 31, 2021	March 31, 2020
<b>189</b>	189
<b>189</b>	189

#### II. Accumulated depreciation

Opening Balance

Amortisation expense for the year

Closing Balance

-	-
-	-
<b>-</b>	<b>-</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

### Note 5 : Intangible Assets

Description of Assets	Intellectual property rights	Software (other than internally generated)	Total
<b>I. Gross Block</b>			
<b>As at April 1, 2019</b>	180	175	355
Additions during the year	-	-	-
Disposals or classified as held for sale	-	-	-
<b>Balance as at March 31, 2020</b>	<b>180</b>	<b>175</b>	<b>355</b>
Additions during the period	-	-	-
Disposals or classified as held for sale	-	-	-
<b>Balance as at March 31, 2021</b>	<b>180</b>	<b>175</b>	<b>355</b>
<b>II. Accumulated depreciation</b>			
Balance as at April 1, 2019	82	158	240
Amortisation expense for the year	12	6	18
Disposals / Adjustments	-	-	-
<b>Balance as at March 31, 2020</b>	<b>94</b>	<b>164</b>	<b>258</b>
Amortisation expense for the period	12	1	13
Disposals / Adjustments	-	-	-
<b>Balance as at March 31, 2021</b>	<b>106</b>	<b>165</b>	<b>271</b>
<b>Net Block as at March 31, 2021 (I - II)</b>	<b>74</b>	<b>10</b>	<b>84</b>

### Note 6 : Investments : Non Current

Particulars	As at	
	March 31, 2021	March 31, 2020
<b>- Quoted</b>		
Bombay Cycle & Motor Agency Limited 600 (31 <sup>st</sup> March 2020: 600) equity shares of ₹ 10 each fully paid 600 (31 March 2020:600) Bonus share 1:1	5	7
<b>- Unquoted</b>		
Maharashtra State Co-operative Bank Limited 2 (31 <sup>st</sup> March 2020: 2) equity shares of ₹ 50 each fully paid	-	-
Shushrusha Citizens Co-operative Hospital Limited 100 (31 <sup>st</sup> March 2020: 100) equity shares of ₹ 100 each fully paid	-	-
Walchand Terraces Co-operative Housing Society Limited 10 (31 <sup>st</sup> March 2020: 10) equity shares of ₹ 50 each fully paid	-	-
Cooper Employees's Consumers Co-operative Society Limited 100(31 <sup>st</sup> March 2020 : 100) equity shares of ₹ 25 each fully paid	-	-
Walchandnagar Industries Limited (Foundry Division) Employees Consumers Co-operative Society Limited 10 (31 <sup>st</sup> March 2020: 10) equity shares of ₹ 25 each fully paid	-	-
Actis Biologics Private Limited 104,250 (31 <sup>st</sup> March 2020: 104,250) equity shares of ₹ 10 each fully paid	103	103
Less: Provision for Diminution	(103)	(102)
<b>Sub total</b>	<b>5</b>	<b>8</b>

₹ in Lakhs

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

Note :

### i) Details of Investments

₹ in Lakhs

Particulars	As at	
	March 31, 2021	March 31, 2020
Investments carried at cost	-	-
Investments carried at fair value through Other Comprehensive Income	5	8
Investments carried at fair value through profit and loss	-	-

### ii) Bifurcation of investments

₹ in Lakhs

Particulars	As at	
	March 31, 2021	March 31, 2020
Aggregate amount of Quoted Investments	5	7
Aggregate amount of Market value of Quoted Investments	5	7
Aggregate amount of unquoted Investments	103	103
Aggregate amount of impairment in value of investment	103	102

### Note 7 : Trade Receivables : Non Current

₹ in Lakhs

Particulars	As at	
	March 31, 2021	March 31, 2020
<b>Trade receivables</b>		
Considered Good – Secured	-	-
Considered Good – Unsecured	5,882	5,646
Significant increase in Credit Risk	-	-
Credit Impaired (refer note 2.8(i))	300	300
	<b>6,183</b>	5,946
Less: Provision for Doubtful Debts (refer note 2.8(i))	<b>(300)</b>	(300)
<b>Total</b>	<b>5,882</b>	5,646

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)****Note 8 : Other Financial Assets : Non Current**

₹ in Lakhs

Particulars (Unsecured, considered good unless otherwise stated)	As at	
	March 31, 2021	March 31, 2020
<b>Security Deposits</b>		
Considered Good – Secured	-	-
Considered Good – Unsecured	261	268
Significant increase in Credit Risk	-	-
Credit Impaired	-	-
Less: Provision for Doubtful Debts	-	-
	<b>261</b>	<b>268</b>
Fixed deposits/ margin money deposits having maturities of more than 12 months from balance sheet date*	-	1
<b>Total</b>	<b>261</b>	<b>269</b>

\* Above FDs are given as Margin Money to Bank

**Note 9 : Other Non-Current Assets**

₹ in Lakhs

Particulars (Unsecured, considered good unless otherwise stated)	As at	
	March 31, 2021	March 31, 2020
<b>Capital Advances</b>		
Considered Good – Secured	-	-
Considered Good – Unsecured	4	125
Significant increase in Credit Risk	-	-
Credit Impaired	-	-
Less: Provision on advances to suppliers	-	-
	<b>4</b>	<b>125</b>
<b>Prepaid Expenses</b>	<b>331</b>	<b>487</b>
Right to use Asset - Lease Hold Land	<b>1,105</b>	1,171
<b>Balance with Government Authorities</b>	<b>2,272</b>	2,400
<b>Other Loans and Advances</b>		
Considered Good – Secured	-	-
Considered Good – Unsecured	236	404
Significant increase in Credit Risk	-	-
Credit Impaired	-	-
Less: Provision on other loans and advances	-	-
	<b>236</b>	<b>404</b>
<b>Total</b>	<b>3,948</b>	<b>4,587</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

### Note-10 : Inventories

Particulars	₹ in Lakhs	
	As at March 31, 2021	March 31, 2020
- Goods in Transit, at cost	113	69
- Raw Materials and Components	3,347	5,139
- Stores and Spares	1,669	1,540
- Dies, Jigs, Tools, Moulds & Patterns	369	246
- Work in progress	8,858	15,193
- Finished Products	993	1,306
<b>Total</b>	<b>15,349</b>	<b>23,493</b>

### Note 11 : Trade Receivables : Current

Particulars	₹ in Lakhs	
	As at March 31, 2021	March 31, 2020
<b>Trade receivables</b>		
Considered Good – Secured	-	-
Considered Good – Unsecured	20,928	19,867
Significant increase in Credit Risk	-	-
Credit Impaired (refer note 2.8(i))	1,972	3,636
	<b>22,901</b>	<b>23,503</b>
Less: Provision for doubtful debts (refer note 2.8(i))	(1,972)	(3,636)
<b>Total</b>	<b>20,928</b>	<b>19,867</b>

### Note 12 : Cash and Cash Equivalents

Particulars	₹ in Lakhs	
	As at March 31, 2021	March 31, 2020
Cash in hand	12	26
Cheques on Hand	56	-
<b>Balances with banks</b>		
In Current Account	224	275
In Deposit Account	-	20
<b>Total</b>	<b>292</b>	<b>321</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)****Note 13 : Other Balances with Banks**

Particulars	₹ in Lakhs	
	As at March 31, 2021	March 31, 2020
In Deposit Accounts	424	392
Earmarked Balances with Banks		
- Unclaimed Dividend	4	8
- Balances held as Margin Money/Security towards obtaining Bank Guarantees ***	3,887	3,385
- Balance held under Escrow Account*	206	201
<b>Total</b>	<b>4,520</b>	<b>3,986</b>

\* (Refer Note No. 22)

\*\*\* It included Accrued Interest

**Note 14 : Other Financial Assets : Current**

Particulars	₹ in Lakhs	
	As at March 31, 2021	March 31, 2020
Unbilled Revenue	6,720	5,200
<b>Total</b>	<b>6,720</b>	<b>5,200</b>

**Note-15 : Other Current Assets**

Particulars	₹ in Lakhs	
	As at March 31, 2021	March 31, 2020
<b>(Unsecured, considered good unless otherwise stated)</b>		
<b>Balance with Government Authorities</b>		
Considered Good – Secured	-	-
Considered Good – Unsecured	1,997	2,202
Significant increase in Credit Risk	-	-
Credit Impaired	-	-
Less: Provision for Balance with Government Authorities	-	-
	<b>1,997</b>	<b>2,202</b>
<b>Advances to employees</b>		
Considered Good – Secured	-	-
Considered Good – Unsecured	55	63
Significant increase in Credit Risk	-	-
Credit Impaired	-	-
Less : Provision on employee advances	-	-
	<b>55</b>	<b>63</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)**

₹ in Lakhs

Particulars	As at	
	March 31, 2021	March 31, 2020
<b>Advances to suppliers</b>		
Considered Good – Secured	-	-
Considered Good – Unsecured	1,416	2,278
Significant increase in Credit Risk	-	-
Credit Impaired	1,107	1,107
Less: Provision for doubtful Advances to suppliers	-1,107	(1,107)
	<b>1,416</b>	<b>2,278</b>
<b>Prepaid Expenses</b>	<b>733</b>	<b>1,095</b>
<b>Others Loans and Advances</b>		
Considered Good – Secured	-	-
Considered Good – Unsecured	21	32
Significant increase in Credit Risk	-	-
Credit Impaired	-	-
Less: Provision on other loans and advances	-	-
	<b>21</b>	<b>32</b>
<b>Total</b>	<b>4,222</b>	<b>5,670</b>

**Note-16 : Non Current Assets held for sale**

₹ in Lakhs

Particulars	As at	
	March 31, 2021	March 31, 2020
Building at Pune	111	-
<b>Total</b>	<b>111</b>	<b>-</b>

Refer Note No. 3

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)****Note 17 : Equity Share Capital**

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number	₹ in Lakhs	Number	₹ in Lakhs
<b>Authorised</b>				
10% Cummulative Preference Shares of ₹ 100 each	50,000	50	50,000	50
Preference Shares of ₹ 100 each	50,000	50	50,000	50
Equity shares of ₹ 2/- each with voting rights	120,000,000	2,400	120,000,000	2,400
		<u>2,500</u>		<u>2,500</u>
Issued, Subscribed and Paid up				
<b>Equity shares of ₹ 2/- each fully paid up</b>	<u>38,070,205</u>	<u>761</u>	<u>38,070,205</u>	<u>761</u>
<b>Total</b>	<u>38,070,205</u>	<u>761</u>	<u>38,070,205</u>	<u>761</u>

**Reconciliation of number of Equity Shares and amount outstanding at the beginning and at the end of the reporting period**

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Shares outstanding at the beginning of the year	38,070,205	761	38,070,205	761
Shares issued during the year	-	-	-	-
<b>Total</b>	<u>38,070,205</u>		<u>38,070,205</u>	<u>761</u>

**Terms/Rights attached to equity shares**

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

In the event of liquidation of the Company, the holders of the shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts.

The distribution will be in proportion to the number of shares held by the shareholders.

**Number of shares held by each shareholder holding more than 5 percent of the Equity Shares of the Company are as follows:**

Name of Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of 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

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

As per the records of the Company, no shares has been allotted pursuant to any contract for consideration other than cash or as bonus shares during the preceeding five financial years. There are no buy back of shares during the preceeding five financial years.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

### Note 18 : Other Equity

Particulars	₹ in Lakhs	
	As at March 31, 2021	March 31, 2020
<b>- Capital Redemption Reserve</b>	50	50
<b>- Securities Premium Account</b>	4,994	4,994
<b>- General Reserve</b>	5,606	5,606
<b>- Retained Earnings</b>		
Opening balance	15,603	22,149
Less : Loss for the year	(5,724)	(6,546)
Add : Other Comprehensive Income	-	-
Closing Balance	9,878	15,603
Opening Balance	(268)	(192)
Add : Other Comprehensive Income	(12)	(76)
Closing Balance	(280)	(268)
<b>- Equity Instruments through Other Comprehensive Income</b>		
Opening Balance	161	165
Add : Other Comprehensive Income	(1)	(4)
Closing Balance	160	161
<b>Total</b>	<b>20,408</b>	<b>26,147</b>

### Note 19 : Borrowings : Non Current

Particulars	₹ in Lakhs	
	As at March 31, 2021	March 31, 2020
<b>Measured at amortised cost</b>		
<b>Secured Borrowings:</b>		
From Banks / NBFCS		
(i) Corporate Loan / NCD	10,532	15,897
(ii) Vehicle Loan	13	15
<b>Total</b>	<b>10,546</b>	<b>15,912</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)**

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

**i) Repayment schedule is as under:**

<b>Date of Payment</b>	<b>Corporate Loan repayment Amount</b>	<b>NCD Repayment Amount</b>	<b>Total Instalment Amount</b>
31-Mar-21	1,809	631	2,440
31-Mar-22	4,065	1,300	5,365
31-Mar-23	4,839	1,500	6,339
31-Mar-24	3,194	1,000	4,194
<b>Total</b>	<b>13,907</b>	<b>4,431</b>	<b>18,338</b>

**ii) They are secured by:**

- 1) First charge on specified land and buildings at Walchandnagar, Mumbai and Dharwad.
- 2) First charge by way of pledge of shareholdings of promoters/affiliates amounting to 53.99% of paid-up capital of the company.
- 3) First charge on the designated bank account held with State Bank of India.

**iii. Period and amount of continuing default in repayment of loans as on 31.03.2021:-**

<b>Name</b>	<b>Amount of default (In Lakhs)</b>	<b>Period of Default (in days)</b>
KKR India Debt Opportunity Fund II (NCD)	684	1
KKR India Financial Services Private Limited (Corporate Loan)	1,915	1

\*Amount of default is inclusive of interest amount

(B) Vehicle Loan is taken from Bank of India. It is secured by hypothecation of vehicle bought under the loan. The loan is repayable in 60 Equated monthly installments of ₹ 0.52 Lacs. Interest rate is 8.70% p.a. Balance instalments payable on balance sheet date are 38. The last instalment falls on 31<sup>st</sup> July, 2024

**Note 20: Other Financial Liabilities : Non Current**

<b>Particulars</b>	<b>As at</b>	
	<b>March 31, 2021</b>	<b>March 31, 2020</b>
Interest on Secured Loans	<b>3,716</b>	2,730
Others #	<b>467</b>	557
<b>Total</b>	<b>4,183</b>	<b>3,287</b>

# Includes ₹ 285 lakh received against compulsory acquisition of land by the Government of Maharashtra not accounted for as sale of asset. The matter is in appeal and pending in Hon'ble Supreme Court. The asset is disclosed under Note No. 3 for Property, Plant and Equipments

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

### Note 21 : Provisions : Non Current

Particulars	₹ in Lakhs	
	As at March 31, 2021	March 31, 2020
<b>Provision for employee benefits*</b>		
- Gratuity	1,219	1,101
- Compensated absences	219	199
<b>Total</b>	<b>1,439</b>	<b>1,300</b>

\* (Refer Note No. 47)

### Note 22 : Other Non Current Liabilities : Non current

Particulars	₹ in Lakhs	
	As at March 31, 2021	March 31, 2020
Deposit in Escrow Liability*	206	201
Deferred Government Grant	19	-
Advance from Customer	9,652	6,640
<b>TOTAL</b>	<b>9,876</b>	<b>6,841</b>

\* (Refer Note No. 13)

### Note 23: Borrowings : Current

Particulars	₹ in Lakhs	
	As at March 31, 2021	March 31, 2020
<b>(a) From Banks (Secured)</b>		
(i) Working Capital Loan	21,271	21,091
(ii) Letter of Credit	962	1,058
<b>(b) Intercorporate Deposits from related party</b>	<b>500</b>	<b>-</b>
<b>Total</b>	<b>22,732</b>	<b>22,149</b>

- The Working Capital Loan facilities under Consortium Banking arrangement of State Bank of India and Bank of India and consortium lead by State Bank of India mentioned at (i) above pertaining to HED division are secured by mortgage of residential flat in Mumbai, land and building at Walchandnagar, Offices in Pune 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 pertaining to Heavy Engineering Division at Walchandnagar. The facilities are further secured by a second charge on all assets given to KKR India and proceeds from sale of shares pledged to KKR India. The above are at an interest rate of 13.65% from Bank of India and 11% from State Bank of India
- The facilities mentioned at (i) above pertaining to Foundry division, Satara are taken from State Bank of India and are secured by hypothecation of all 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.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)**

- 3] The Company has taken Letter of Credit facility from Bank of India for the purpose of procurement of Raw Material and Capital Goods for HED division. It is secured by mortgage of residential flat in Mumbai, land and building at Walchandnagar, Offices in Pune 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 pertaining to Heavy Engineering Division at Walchandnagar. It is further secured by a second charge on all assets given to KKR India and proceeds from sale of shares pledged to KKR India.
- 4] The Company has taken Letter of Credit facility from State Bank of India for the purpose of procurement of Raw Material and Capital Goods for Foundry division. It is 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.
- 5] The Company has availed unsecured Loan from M/s. Walchand Great Achievers Private Limited. The Loan will be either converted into shares/ warrants of the company as and when the Company decides to issue shares/warrants to promoter group on preferential basis or any other form or will be repaid in 12 months from the date of acceptance.

**Note 24: Trade Payables**

Particulars	₹ in Lakhs	
	As at March 31, 2021	March 31, 2020
<b>Trade Payables</b>		
- Total outstanding dues of micro enterprises and small enterprises*	404	529
- Total outstanding dues of creditors other than micro enterprises and small enterprises.	6,651	8,195
<b>Total</b>	<b>7,055</b>	<b>8,724</b>

\*(Refer No. 51)

**Note 25: Other Financial Liabilities : Current**

Particulars	₹ in Lakhs	
	As at March 31, 2021	March 31, 2020
Current maturities of long-term loans (secured)		
(i) Vehicle Loan	5	5
(ii) Corporate Loan/NCD	7,805	2,440
Interest payable on borrowings	1,061	1,085
Unclaimed dividends	4	8
Accrued Salaries and Benefits	1,526	1,194
Contract Liability	227	176
Others	1,314	1,433
<b>Total</b>	<b>11,942</b>	<b>6,341</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

### Note 26 : Provisions : Current

Particulars	₹ in Lakhs	
	As at March 31, 2021	March 31, 2020
<b>Provision for employee benefits*</b>		
- Gratuity	266	305
- Compensated absences	58	59
<b>Total</b>	<b>324</b>	<b>364</b>

\* (Refer Note No. 47)

### Note 27 : Other Current Liabilities

Particulars	₹ in Lakhs	
	As at March 31, 2021	March 31, 2020
Advances received from customers #	5,976	12,371
Statutory Remittances	545	417
Deferred Government Grant	14	-
<b>Total</b>	<b>6,535</b>	<b>12,788</b>

# Includes ₹ 850 lakhs of advance received against asset held for sale. (Refer Note 56)

### Note 28 : Revenue From Operations

Particulars	₹ in Lakhs	
	Year ended March 31, 2021	March 31, 2020
Sales of Product	29,941	24,183
Sales of Services	2,324	5,193
Other Operating Revenues	299	429
<b>Total</b>	<b>32,564</b>	<b>29,805</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

## Note 29 : Other Income

Particulars	₹ in Lakhs	
	Year ended	
	March 31, 2021	March 31, 2020
<b>Interest Income</b>		
- On Bank deposits	178	392
- On Others	38	-
Dividend Income on Investment	0	1
Rental income	7	10
Occupation Fees	5	5
Profit on Sale of Asset	113	29
Provision for non-current investments no longer required		
Sundry Balances Written Back	1,756	557
Foreign Exchange Gain (net)	-	604
Provision written back	-	249
Packaged Scheme of Incentive - Maharashtra	248	-
Miscellaneous Income	157	170
<b>Total</b>	<b>2,503</b>	<b>2,017</b>

## Note 30 : Cost of Materials consumed

Particulars	₹ in Lakhs	
	Year ended	
	March 31, 2021	March 31, 2020
<b>(A) Materials consumed comprise:</b>		
(a) Plates, Sheets, Beams & Steel Materials	989	1,373
(b) Steel Scrap	1,498	1,270
(c) Castings	1,163	1,744
(d) Pig Iron	-	7
(e) Ferro Alloys	141	177
(f) Bought and Components etc.	4,339	7,976
(g) Materials Consumed at Sites	24	50
	<b>8,154</b>	<b>12,597</b>
<b>(B) Stores and Spares consumed</b>	<b>1,527</b>	<b>1,393</b>
<b>Total</b>	<b>9,681</b>	<b>13,990</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

### Note 31 : Sub-Contracting Expenses, Processing Charges and Other Direct Costs

Particulars	₹ in Lakhs	
	Year ended	
	March 31, 2021	March 31, 2020
(a) Sub-contracting Expenses and Processing Charges	1,535	2,001
<b>Total</b>	<b>1,535</b>	<b>2,001</b>

### Note 32 : Changes in Inventories of Finished Goods & Work-in-progress

Particulars	₹ in Lakhs	
	Year ended	
	March 31, 2021	March 31, 2020
<b>Inventories at the beginning of the period:</b>		
(a) Finished Products	1,306	115
(b) Work-in-Progress	15,193	12,111
	<b>16,499</b>	<b>12,226</b>
<b>Inventories at the end of the period:</b>		
(a) Finished Products	993	1,306
(b) Work-in-Progress	8,858	15,193
	<b>9,851</b>	<b>16,499</b>
<b>Total</b>	<b>6,648</b>	<b>(4,273)</b>

### Note 33 : Employee Benefits Expense

Particulars	₹ in Lakhs	
	Year ended	
	March 31, 2021	March 31, 2020
Salaries and wages, including bonus	7,366	7,563
Contribution to provident and other funds	497	519
Gratuity	210	209
Staff welfare expenses	66	75
<b>Total</b>	<b>8,139</b>	<b>8,366</b>

### Note 34 : Finance Costs

Particulars	₹ in Lakhs	
	Year ended	
	March 31, 2021	March 31, 2020
Interest Debentures and Fixed Loans	3,028	3,225
Interest on Short term Loan and Cash Credits	3,062	3,400
Others	1,815	2,027
<b>Total</b>	<b>7,905</b>	<b>8,652</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)****Note 35 : Depreciation and Amortisation Expense**

Particulars	₹ in Lakhs	
	Year ended	
	March 31, 2021	March 31, 2020
Depreciation on Property, Plant and Equipment	2,283	2,282
Amortisation on Intangible assets	13	18
<b>Total</b>	<b>2,297</b>	<b>2,300</b>

**Note 36 : Other Expenses**

Particulars	₹ in Lakhs	
	Year ended	
	March 31, 2021	March 31, 2020
Power and Fuel Expenses	1,045	1,229
Rent	16	31
Amortisation of Leasehold Land	66	66
Rates and Taxes	74	66
Communication Expenses	39	49
Travelling Expenses	97	279
Bank Charges	13	25
Electricity Charges	80	105
Site Office Expenses	76	119
Legal and Other Professional Costs	731	687
Repair and Maintenance Expenses		
- Buildings (including leased premises)	69	46
- Machinery	92	67
- Others	99	124
<b>Total</b>	<b>261</b>	<b>237</b>
Audit Fees		
- Audit Fees	24	20
- Tax Audit Fees	2	3
- Certification work	1	-
- Re-imburement of out of pocket expenses	0	2
<b>Total</b>	<b>27</b>	<b>25</b>
Insurance Charges	140	123
Advertisement, Promotion & Selling Expenses	9	375
Interest (Others)	30	94
Liquidated Damages	0	240
Miscellaneous Expenses	621	613
Loss on sale of Current Investements	-	5
Forwarding Expenses	173	88
Allowances for Doubtful Receivables and Bad Debts written off		
- Provided during the year (net)	(1,870)	(1,824)
- Bad Debts written off	2,751	3,721
<b>Total</b>	<b>881</b>	<b>1,897</b>
Foreign Exchange Loss (net)	208	-
<b>Total</b>	<b>4,586</b>	<b>6,353</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

### 37 Details of impact of Ind AS 115

The Company has adopted Ind AS 115 w.e.f April 1, 2018. As per the terms of contract with certain customers, the company has not complied with the delivery terms and have recognised revenue on despatches after the contractual delivery period. Based on the terms of the contract ₹ 227 lakhs (P.Y. ₹ 176 lakhs) have been recognised as a contract liability and revenue have been recognised by reducing an equivalent amount as the same is a variable component.

### 38 Details of the investment property and its fair value

The fair value of the Company's investment properties as at March 31, 2019 have been arrived at on the basis of a valuation carried out as of the respective dates by an independent valuer. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

The fair value was derived using :

- market comparable approach based on recent market prices without any significant adjustments being made to the market observable data.
- capitalization of net income method, where the market rentals of all lettable units of the properties are assessed by reference to the rentals achieved in the lettable units as well as other lettings of similar properties in the neighborhood. The capitalisation rate adopted is made by reference to the yield rates observed by the valuers for similar properties in the locality and adjusted based on the valuers' knowledge of the factors specific to the respective properties.

Description	₹ in Lakhs	
	As at March 31, 2021	As at March 31, 2020
Land	189	189
<b>Total</b>	<b>189</b>	<b>189</b>

### 39 Financial Instruments and Risk Review

#### Financial Risk Management Framework

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

#### Credit Risk

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

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

#### Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 38,609 lakhs (March 31, 2020 - ₹ 35,298 lakhs) being the total of the carrying amount of balances with banks, bank deposits, trade receivables, unbilled revenue and other financial assets.

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks provided by the Company. The Company's maximum exposure in this respect is the maximum amount the Company would have to pay if the guarantee is called on.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)****Trade receivables**

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

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. Company's exposure to customers is diversified and no single customer contributes to more than 10% of outstanding accounts receivable and unbilled revenue as of March 31, 2021. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

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

**Movement in the expected credit loss allowance:**

Description	₹ in Lakhs	
	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	3,936	5,760
Movement in the expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	(1,663)	(1,824)
<b>Balance at the end of the year</b>	<b>2,273</b>	<b>3,936</b>

**Market Risk**

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

**a) Foreign Currency exchange rate risk**

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

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

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

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

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

Particulars	Currency	As at	As at
		March 31, 2021	March 31, 2020
Financial Assets	USD	5,804	5,885
	EUR	0	0
	Others	1,654	1,124
Financial Liabilities	USD	3,608	3,690
	EUR	1	1
	Others	1,359	1,356

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

### Liquidity Risk

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

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

## 40 Current Tax and Deferred Tax

### Income Tax Expense

Particulars	₹ in Lakhs	
	March 31, 2021	March 31, 2020
<b>Current Tax:</b>		
In respect of current period	-	-
<b>Deferred Tax</b>		
In respect of current period	-	-
<b>Total Income Tax Expense recognised</b>	<b>-</b>	<b>-</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)**

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

Particulars	₹ in Lakhs	
	March 31, 2021	March 31, 2020
Profit before income taxes	(5,724)	(6,546)
Enacted tax rates in India	26.00%	26.00%
Income tax expense calculated at enacted rate	(1,488)	(1,702)
Short/(excess) provision for earlier years	-	-
Effect of unrecognized deferred tax assets	1,488	1,702
<b>Income tax expense recognised in profit or loss</b>	-	-

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

**Deferred Tax:**

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

Particulars	₹ in Lakhs	
	As at March 31, 2021	As at March 31, 2020
Deferred tax assets	4,174	4,523
Deferred tax liabilities	(4,174)	(4,523)
<b>Deferred tax assets (net)</b>	-	-

**Differred tax Asset is recognised to the extent of differred tax liability**

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

Particulars	For the year ended March 31, 2021			
	Opening balance	Recognised in Profit and loss	Recognised in OCI	Closing balance
Employee Benefits	432	26	-	458
Property, Plant and Equipment	(4,523)	349	-	(4,174)
Provisions	1,311	(441)	-	870
Unabsorbed Losses	2,192	507	-	2,699
Unabsorbed Depreciation	1,778	242	-	2,020
<b>Net Deferred Tax Assets</b>	<b>1,190</b>	<b>683</b>	<b>-</b>	<b>1,873</b>

Particulars	For the year ended March 31, 2020			
	Opening balance	Recognised in Profit and loss	Recognised in OCI	Closing balance
Employee Benefits	474	(42)	-	432
Property, Plant and Equipment	(5,708)	1,185	-	(4,523)
Provisions	2,122	(811)	-	1,311
Unabsorbed Losses	2,019	173	-	2,192
Unabsorbed Depreciation	1,998	(220)	-	1,778
<b>Net Deferred Tax Assets</b>	<b>905</b>	<b>285</b>	<b>-</b>	<b>1,190</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

### 41 Earnings in Foreign Currency

	March 31, 2021	March 31, 2020
Export of goods calculated on FOB basis	731	968
Export of Service	-	12
Overseas Site - Ethiopia	-	324
<b>Total</b>	<b>731</b>	<b>1,304</b>

### 42 Value of Imports on CIF basis in respect of

	March 31, 2021	March 31, 2020
Raw Materials	365	1,554
Components & Spare parts	140	623
Capital goods	53	606
<b>Total</b>	<b>558</b>	<b>2,783</b>

₹ in Lakhs

### 43 Expenditure in Foreign currency

	March 31, 2021	March 31, 2020
Travelling expenses	2	55
Commission and Others	-	3
Overseas Site - Ethiopia	9	756
<b>Total</b>	<b>11</b>	<b>814</b>

₹ in Lakhs

### 44 Earnings per Share (Basic and Diluted)

	March 31, 2021	March 31, 2020
i) Net Profit/ (Loss) after Tax as per Statement of Profit and loss attributable to Equity Shareholders (₹ In lakhs)	(5,724)	(6,546)
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	(15.04)	(17.20)

₹ in Lakhs

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

### 45 Related Party Disclosures

Related party disclosures as required under Ind AS 24 (Related Party Disclosures), specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 are given below:

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

Name of the individual	Designation / Relation
Mr. Chakor L. Doshi	Chairman
Mrs. Champa C. Doshi	Wife of Chairman
Mr. Chirag C. Doshi	Managing Director
Mrs. Kanika G. Sanger	Daughter of Chairman
Mrs. Tanaz Chirag Doshi	Wife of Managing Director

**ii) Key Management personnel and relatives:**

Name of the individual	Designation / Relation
Mr. G. K. Pillai	Non-Executive Director (Managing Director & CEO up to 31 March 2020)
Mr. Chirag C. Doshi	Managing Director & CEO
Mr. G. S. Agrawal	Vice President (Legal & Taxation) & Company Secretary
Mr. Sandeep Jain	Chief Financial Officer

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

Bombay Cycle & Motor Agency Ltd.	Olsson Holdings Inc.
Walchand Great Achievers Pvt. Ltd.	Vinod Shashank Chakor Pvt. Ltd.
Walchand Kamdhenu Commercials Pvt. Ltd.	Chirag Enterprises
Walchand Chiranika Trading Pvt. Ltd.	Walchand Engineers Pvt. Ltd.
Chakor Doshi HUF	(Application for closure of Company in form STK 2 is filled on 13.03.2019)
Chirag Doshi HUF	Walchand Projects Pvt. Ltd.
Chiranika Enterprises	(Application for closure of Company in form STK 2 is filled on 13.03.2019)
Chiranika Corporation	Walchand Power Systems Pvt. Ltd.
Chiranika Properties	(Application for closure of Company in form STK 2 is filled on 14.03.2019)
Walchand Botanicals Pvt. Ltd.	Walchand Oil & Gas Pvt. Ltd.
Rodin Holdings Inc.	(Application for closure of Company in form STK 2 is filled on 13.03.2019)
Walchand Ventures LLP	Walchand Leisure Realty Pvt. Ltd.
Hereford Properties Limited Inc.	(Application for closure of Company in form STK 2 is filled on 13.03.2019)
Trust Finlease Pvt. Ltd.	Walchand BMH Pvt. Ltd.
GS Agrawal HUF	(Application for closure of Company in form STK 2 is filled on 13.03.2019)
	Walchand Solar Pvt. Ltd.
	(Application for closure of Company in form STK 2 is filled on 14.03.2019)

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

### 46 Related Party Disclosures (Contd.)

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

₹ in Lakhs

Particulars	Individuals mentioned in (i) above	Key Management Personnel as mentioned in (ii) above	Relatives of Key as mentioned in (ii) above	Enterprises mentioned in (iii) above	Total
	Current Year	Current Year	Current Year	Current Year	Current Year
	Previous Year	Previous Year	Previous Year	Previous Year	Previous Year
Transactions					
<b>Receiving of Services</b>					
Mr. Chakor L. Doshi	7	-	-	-	7
	7	-	-	-	7
Mr. G K Pillai	50	-	-	-	50
	-	-	-	-	-
Bombay Cycle & Motors Agency Ltd.	-	-	-	30	30
	-	-	-	30	30
<b>Sub-Total</b>	<b>56</b>	<b>-</b>	<b>-</b>	<b>30</b>	<b>86</b>
	7	-	-	30	37
<b>Interest on Un-secured Loan</b>					
Chakor L Doshi HUF	-	-	-	-	-
	2	-	-	-	2
Kanika G Sanger	-	-	-	-	-
	2	-	-	-	2
<b>Sub-Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	4	-	-	-	4
<b>Reimbursement of expenses</b>					
Bombay Cycle & Motors Agency Ltd.	-	-	-	-	-
	-	-	-	1	1
<b>Sub-Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	-	-	-	1	1
<b>Managerial Remuneration #</b>					
Mr. Chirag C. Doshi	-	140	-	-	140
	-	119	-	-	119
Mr. G. K. Pillai	-	-	-	-	-
	-	91	-	-	91
Mr. G. S. Agrawal	-	39	-	-	39
	-	38	-	-	38
Mr. Sandeep Jain	-	68	-	-	68
	-	57	-	-	57
<b>Sub-Total</b>	<b>-</b>	<b>247</b>	<b>-</b>	<b>-</b>	<b>247</b>
	-	305	-	-	305

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

₹ in Lakhs

Particulars	Individuals mentioned in (i) above	Key Management Personnel as mentioned in (ii) above	Relatives of Key as mentioned in (ii) above	Enterprises mentioned in (iii) above	Total
	Current Year Previous Year	Current Year Previous Year	Current Year Previous Year	Current Year Previous Year	Current Year Previous Year
<b>Unsecured Loan-Received</b>					
Chakor L Doshi HUF	-	-	-	-	-
	200	-	-	-	200
Kanika G. Sanger	-	-	-	-	-
	200	-	-	-	200
Walchand Great Achievers Pvt Ltd	-	500	-	-	<b>500</b>
	-	-	-	-	-
<b>Sub-Total</b>	-	<b>500</b>	-	-	<b>500</b>
	400	-	-	-	400
<b>Unsecured Loan -Repayment</b>					
Chakor L Doshi HUF	-	-	-	-	-
	200	-	-	-	200
Kanika G Sanger	-	-	-	-	-
	200	-	-	-	200
<b>Sub-Total</b>	-	-	-	-	-
	400	-	-	-	400
	<b>Outstanding Payable</b>				
<b>Receiving of Services</b>					
Mr. G K Pillai	2	-	-	-	<b>2</b>
	-	-	-	-	-
Bombay Cycle & Motors Agency Ltd.	-	-	-	-	-
	-	-	-	6	6
<b>Sub-Total</b>	<b>2</b>	-	-	-	<b>2</b>
	-	-	-	6	6
<b>Unsecured Loan</b>					
Walchand Great Achievers Pvt Ltd	-	-	-	500	500
	-	-	-	0	0
<b>Sub-Total</b>	-	-	-	<b>500</b>	<b>500</b>
	-	-	-	0	0
<b>Managerial Remuneration #</b>					
Mr. Chirag C. Doshi	-	<b>4</b>	-	-	<b>4</b>
	-	3	-	-	3
Mr. G. K. Pillai	-	-	-	-	-
	-	5	-	-	5
Mr. G. S. Agrawal	-	<b>2</b>	-	-	<b>2</b>
	-	2	-	-	2
Mr. Sandeep Jain	-	<b>3</b>	-	-	<b>3</b>
	-	4	-	-	4
<b>Sub-Total</b>	-	<b>9</b>	-	-	<b>9</b>
	-	14	-	-	14

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

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

Compensation of KMP's/ relative of KMP	Chirag Doshi	G. K. Pillai	Mr. G. S. Agrawal	Sandeep Jain
Short Term Benefits	140	-	39	68
	119	91	38	57
<b>Total</b>	<b>140</b>	<b>-</b>	<b>39</b>	<b>68</b>
	119	91	38	57

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

### 46 Fair value measurements

Financial instruments by category:

₹ in lakhs

Particulars	As at March 31, 2021			As at March 31, 2020		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments:						
- equity instruments	-	5	-	-	8	-
- mutual funds	-	-	-	-	-	-
Trade receivables	-	-	26,811	-	-	25,514
Cash and cash equivalents	-	-	292	-	-	321
Other bank balances	-	-	4,520	-	-	3,986
Others	-	-	6,981	-	-	5,469
<b>Total financial assets</b>	<b>-</b>	<b>5</b>	<b>38,604</b>	<b>-</b>	<b>8</b>	<b>35,289</b>
<b>Financial liabilities</b>						
Borrowings	-	-	33,277	-	-	38,061
Trade payables	-	-	7,055	-	-	8,723
Other financial liabilities	-	-	16,125	-	-	9,628
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>56,458</b>	<b>-</b>	<b>-</b>	<b>56,412</b>

#### (i) Fair value hierarchy:

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

- recognised and measured at fair value, and
- measured at amortised cost and for which fair values are disclosed in the financial statements.

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

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

Financial assets and liabilities measured at fair value - recurring fair value measurements At March 31, 2021	Notes	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>					
<b>Financial investments at FVOCI</b>					-
Equity instruments	6	5	-	-	5
<b>Total financial assets</b>		<u>5</u>	<u>-</u>	<u>-</u>	<u>5</u>

Financial assets and liabilities measured at fair value - recurring fair value measurements At March 31, 2020	Notes	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>					
<b>Financial investments at FVOCI</b>					-
Equity instruments	6	8	-	-	8
<b>Total financial assets</b>		<u>8</u>	<u>-</u>	<u>-</u>	<u>8</u>

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

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

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

#### 47 Disclosure pursuant to Ind AS 19 -Employee Benefits

##### (i) Defined Contribution Plan

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

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

- ₹ 434.49 Lakhs (March 31, 2020: ₹ 429.49 Lakhs) for Provident Fund contributions,
- Nil (March 31, 2020: ₹ 4.22 Lakhs) for Superannuation Fund contributions.

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

Contributions to defined contribution plans for key management personnel have been disclosed as per Note 45

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

### (ii) Defined Benefit Plan

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

Sr. No.	Particulars	Gratuity (Funded) March 31, 2021	Gratuity (Funded) March 31, 2020	Compensated Absence (Non Funded) March 31, 2021	Compensated Absence (Non Funded) March 31, 2020
<b>I</b>	<b>Changes in present value of obligations</b>				
(a)	PVO at beginning of period	1,563	1,459	256	201
(b)	Interest cost	95	100	15	14
(c)	Current Service Cost	119	110	147	132
(d)	Past Service Cost- (non vested benefits)	-	-	-	-
(e)	Past Service Cost -(vested benefits)	-	-	-	-
(f)	Transfer in Liability	-	-	-	-
(g)	Transfer out Liability	-	-	-	-
(h)	Benefits Paid	(200)	(136)	(56)	(35)
(i)	Benefits Paid By The Company	(77)	(111)	-	-
(j)	Contributions by plan participants	-	-	-	-
(k)	Business Combinations	-	-	-	-
(l)	Curtailments	-	-	-	-
(m)	Settlements	-	-	-	-
(n)	Actuarial (Gain)/Loss on obligation	101	141	(85)	(56)
(o)	PVO at end of period *	1,601	1,563	277	256
<b>II</b>	<b>Interest Expenses</b>				
(a)	Interest cost	95	100	15	14
		95	100	15	14
<b>III</b>	<b>Fair Value of Plan Assets</b>				
(a)	Fair Value of Plan Assets at the beginning	157	125	-	-
(b)	Interest Income	4	2	-	-
<b>IV</b>	<b>Net Liability</b>				
(a)	PVO at beginning of period	1,563	1,459	256	201
(b)	Fair Value of the Assets at beginning report	157	125	-	-
	<b>Net Liability</b>	1,405	1,333	256	201
<b>V</b>	<b>Net Interest</b>				
(a)	Interest Expenses	95	100	15	14
(b)	Interest Income	4	2	-	-
	<b>Net Interest</b>	91	98	15	14

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

Sr. No.	Particulars	Gratuity (Funded)	Gratuity (Funded)	Compensated Absence (Non Funded)	Compensated Absence (Non Funded)
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>VI</b>	<b>Actual return on plan assets</b>				
(a)	Less Interest income included above	4	2	-	-
(b)	Return on plan assets excluding interest income	4	9	-	-
<b>VII</b>	<b>Actuarial (Gain)/loss on obligation</b>				
(a)	Due to Demographic Assumption*	-	-	-	-
(b)	Due to Financial Assumption	9	99	2	20
(c)	Due to Experience	92	42	(87)	(75)
	<b>Total Actuarial (Gain)/Loss</b>	<b>101</b>	<b>141</b>	<b>(85)</b>	<b>(56)</b>
	(*This figure does not reflect interrelationship between demographic assumption and financial assumption when a limit is applied on the benefit, the effect will be shown as an experience)				
<b>VIII</b>	<b>Fair Value of Plan Assets</b>				
(a)	Opening Fair Value of Plan Asset	157	125	-	-
(b)	Adjustment to Opening Fair Value of Plan Asset	-	(1)	-	-
(c)	Return on Plan Assets excl. interest income	4	9	-	-
(d)	Interest Income	4	2	-	-
(e)	Transfer in Fund	-	-	-	-
(f)	Transfer out Fund	-	-	-	-
(g)	Contributions by Employer	151	158	56	35
(h)	Contributions by Employee	-	-	-	-
(i)	Benefits Paid	(200)	(136)	(56)	(35)
	<b>Fair Value of Plan Assets at end</b>	<b>116</b>	<b>157</b>	<b>-</b>	<b>-</b>
<b>IX</b>	<b>Past Service Cost Recognised</b>				
(a)	Past Service Cost- (non vested benefits)	-	-	-	-
(b)	Past Service Cost -(vested benefits)	-	-	-	-
(c)	Average remaining future service till vesting of the benefit	-	-	-	-
(d)	Recognised Past service Cost- non vested benefits	-	-	-	-
(e)	Recognised Past service Cost- vested benefits	-	-	-	-
(f)	Unrecognised Past Service Cost- non vested benefits	-	-	-	-
<b>X</b>	<b>Amounts to be recognized in the balance sheet and statement of profit &amp; loss account</b>				
(a)	PVO at end of period	1,601	1,563	277	256
(b)	Fair Value of Plan Assets at end of period	116	157	-	-
(c)	Funded Status	1,485	1,405	(277)	(256)
(d)	Net Asset/(Liability) recognized in the balance sheet	(1,485)	(1,405)	(277)	(256)

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)**

Sr. No.	Particulars	Gratuity (Funded) March 31, 2021	Gratuity (Funded) March 31, 2020	Compensated Absence (Non Funded) March 31, 2021	Compensated Absence (Non Funded) March 31, 2020
<b>XI</b>	<b>Expense recognized in the statement of P &amp; L A/C</b>				
(a)	Current Service Cost	119	110	147	132
(b)	Net Interest	91	98	15	14
(C)	Adjustment to opening balance	-	1	-	-
(d)	Past Service Cost- (non vested benefits)	-	-	-	-
(e)	Past Service Cost -(vested benefits)	-	-	-	-
(f)	Curtailement Effect	-	-	-	-
(g)	Settlement Effect	-	-	-	-
(h)	Unrecognised Past Service Cost- non vested benefits	-	-	-	-
	<b>Expense recognized in the statement of P &amp; L A/C</b>	<b>210</b>	<b>209</b>	<b>162</b>	<b>146</b>
<b>XII</b>	<b>Other Comprehensive Income (OCI)</b>	-			
(a)	Actuarial (Gain)/Loss recognized for the period	101	141	(85)	(56)
(b)	Asset limit effect	-	-	-	-
(C)	Return on Plan Assets excluding net interest	(4)	(9)	-	-
(d)	Unrecognized Actuarial (Gain)/Loss from previous period	-	-	-	-
	<b>Total Actuarial (Gain)/Loss recognized in (OCI)</b>	<b>97</b>	<b>132</b>	<b>(85)</b>	<b>(56)</b>
<b>XIII</b>	<b>Movements in the Liability recognized in Balance Sheet</b>				
(a)	Opening Net Liability	1,405	1,333	256	201
(b)	Adjustment to opening balance	-	-	-	-
(C)	Transfer in Liability	-	-	-	-
(d)	Transfer in Fund	-	-	-	-
(e)	Transfer out Liability	-	-	-	-
(f)	Transfer out Fund	-	-	-	-
(g)	Expenses as above	210	209	162	146
(h)	Benefits Paid By The Company	(77)	(111)	-	-
(i)	Contribution paid	(151)	(158)	(56)	(35)
(j)	Other Comprehensive Income(OCI)	97	132	(85)	(56)
	<b>Closing Net Liability</b>	<b>1,485</b>	<b>1,405</b>	<b>277</b>	<b>256</b>
<b>XIV</b>	<b>Schedule III of The Companies Act 2013</b>				
(a)	Current Liability *	266	305	58	57
(b)	Non-Current Liability	1,335	1,258	219	199

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

Sr. No.	Particulars	Gratuity (Funded) March 31, 2021	Gratuity (Funded) March 31, 2020	Compensated Absence (Non Funded) March 31, 2021	Compensated Absence (Non Funded) March 31, 2020
<b>XV</b>	<b>Actuarial Assumptions</b>				
(a)	Discount Rate (per annum)	6.70%	6.77%	6.70%	6.77%
(b)	Expected Rate of Return on Assets (per annum)	-	-	-	-
(c)	Rate of Increase in Compensation Levels (per annum)	3.50%	3.50%	3.50%	3.50%
(d)	Mortality Table	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

**Weighted Average duration of defined benefit obligation:****Sensitivity analysis:**

A quantitative sensitivity analysis for significant assumption as at March 31, 2021 is as shown below:

**Gratuity**

A.	Effect of 1 % change in the assumed discount rate	1% Increase	1% Decrease
		March 31, 2021	March 31, 2020
1.	Effect on DBO	1,476	1,453

B.	Effect of 1 % change in the assumed Salary Escalation Rate	1% Increase	1% Decrease
		March 31, 2021	March 31, 2020
1.	Effect on DBO	1,750	1,693

**Compensated Absence**

A.	Effect of 1 % change in the assumed discount rate	1% Increase	1% Decrease
		March 31, 2021	March 31, 2020
1.	Effect on DBO	253	234

B.	Effect of 1 % change in the assumed Salary Escalation Rate	1% Increase	1% Decrease
		March 31, 2021	March 31, 2020
1.	Effect on DBO	306	282

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

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

### 48 Segment Reporting

#### I PRIMARY SEGMENTS

₹ In lakhs

Particulars	Heavy Engineering		Foundry and Machine Shop		Others		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
<b>Revenue</b>								
Net Revenue	28,116	23,628	3,575	4,700	1,042	1,759	32,734	30,087
Less: Inter-segment Revenue	116	113	50	163	3	6	170	282
	<u>28,000</u>	<u>23,515</u>	<u>3,524</u>	<u>4,537</u>	<u>1,039</u>	<u>1,753</u>	<u>32,564</u>	<u>29,805</u>
<b>Results</b>								
<b>Segment Result</b>	<u>3,028</u>	<u>3,617</u>	<u>(496)</u>	<u>(272)</u>	<u>76</u>	<u>221</u>	<u>2,608</u>	<u>3,566</u>
Unallocable Expenses net of Unallocable Income							427	481
Operating Profit							2,181	3,085
Finance Cost							7,905	8,652
Profit Before Tax							(5,724)	(5,567)
Taxes on Income							-	-
Profit from ordinary activities							(5,724)	(5,567)
<b>Other information</b>								
<b>Segment Assets</b>	<u>85,440</u>	<u>93,425</u>	<u>4,940</u>	<u>5,275</u>	<u>4,193</u>	<u>4,416</u>	<u>94,573</u>	<u>103,116</u>
(including revaluation)								
Unallocated Corporate Assets							1,230	1,497
Total Assets							95,803	104,613
<b>Segment Liabilities</b>	<u>70,299</u>	<u>73,249</u>	<u>2,159</u>	<u>2,168</u>	<u>411</u>	<u>625</u>	<u>72,869</u>	<u>76,043</u>
Unallocated Corporate Liabilities							1,763	1,663
<b>Total Liabilities</b>							74,632	77,705
<b>Capital Expenditure</b>	<u>1,132</u>	<u>1,201</u>	<u>19</u>	<u>1</u>	<u>2</u>	<u>2</u>	<u>1,153</u>	<u>1,204</u>
Unallocated Capital Expenditure							-	-
<b>Depreciation</b>	<u>2,148</u>	<u>2,149</u>	<u>111</u>	<u>112</u>	<u>38</u>	<u>39</u>	<u>2,297</u>	<u>2,300</u>
Unallocated Depreciation							-	-
<b>Total Depreciation</b>							2,297	2,300
<b>Interest Income</b>	<u>160</u>	<u>383</u>	<u>6</u>	<u>-</u>	<u>12</u>	<u>9</u>	<u>178</u>	<u>392</u>
Unallocated Interest Income							-	-
<b>Total Interest Income</b>	<u>160</u>	<u>383</u>	<u>6</u>	<u>-</u>	<u>12</u>	<u>9</u>	<u>178</u>	<u>392</u>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

## II SECONDARY SEGMENTS

	₹ In lakhs					
	Domestic		Export		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Segment Revenue	31,610	26,331	954	3,474	32,564	29,805
Segment Results	2,605	3,099	3	466	2,608	3,566
Segment Assets	87,115	96,017	7,458	7,098	94,573	103,116
Unallocated Corporate Assets	1,230	1,497	-	-	1,230	1,497
<b>Total Assets</b>	<b>88,345</b>	<b>97,515</b>	<b>7,458</b>	<b>7,098</b>	<b>95,803</b>	<b>104,613</b>
Segment Liabilities	67,901	70,995	4,968	5,047	72,869	76,043
Unallocated Corporate Liabilities	1,763	1,663	-	-	1,763	1,663
<b>Total Liabilities</b>	<b>69,664</b>	<b>72,658</b>	<b>4,968</b>	<b>5,047</b>	<b>74,632</b>	<b>77,706</b>

## 49 Contingent Liabilities and Commitments

## (a) Claims against the company not acknowledged as debt

- (i) Demand of Non Agricultural (NA) Tax of ₹ 74.76 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 for expense has been made in the accounts as the company has not accepted the liability and the matter is sub-judice.
- (ii) Demand on account of fixation of Annual Rateable Value of Property at Pune, amounting to ₹ 99.02 lakhs (for the period April 1, 2008 to March 31, 2012) was raised by the local authorities (Previous year ₹ 99.02 lakhs). No provision has been made in the books of accounts. The Company has not accepted the liability and the same is sub-judice.
- (iii) The Sales Tax Authority, Maharashtra has raised demand of ₹ 159.83 lakhs ( Previous Year ₹ 159.83 lakhs) for 2005-2006 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 Tribunal. The Company has paid ₹ 30.00 lakhs under protests (included under the head loans and advances).
- (iv) The Sales Tax Authority, Maharashtra has raised demand of ₹ 92.92 lakhs ( Previous Year ₹ 1087.02 lakhs) for 2011-2012 under Central Sales Tax Act,1956. The Company has disputed the demand and preferred an appeal before The Sales Tax Appellate Tribunal. Company has so far paid ₹ 200.91 lakhs under protests (included under the head loans and advances) and received the grant of refund order of ₹ 107.99 Lacs after adjustment of demand of ₹ 92.92 Lacs.
- (v) The Sales Tax Authority, Maharashtra has raised demand of ₹ 367.14 lakhs ( Previous Year ₹ 1080.53 lakhs) for 2013-2014 under Central Sales Tax Act,1956. The Company has disputed the demand and preferring an appeal before The Sales Tax Appellate Tribunal. Company has so far paid ₹ 36.50 lakhs under protests (included under the head loans and advances).
- (vi) The Sales tax Authority Maharashtra has raised demand of ₹ 252.13 Lakhs ( Previous Year ₹ 252.13 lakhs) under Central Sales Tax Act,1956 for the year 2014-15. The Company has disputed the demand and has preferred an appeal before The Joint Commissioner of Sales Tax ,Pune. The Company has paid ₹ 29.60 Lakhs under protest (Included under the head Loans and Advances). The company has partly applied and received order under Amnesty Scheme - Sales Tax, Pune during the financial year and paid ₹ 11.13 Lakhs under Amnesty Scheme, now the demand has reduced to ₹ 224.93 lakhs.
- (vii) The Sales Tax Authority, Maharashtra has raised demand of ₹ 80.81 lakhs ( Previous Year ₹ 918.11 lakhs) for 2015-2016 under Central Sales Tax Act,1956. The Company has disputed the demand and preferred an appeal before The The Joint Commissioner of Sales Tax ,Pune. Company has so far paid ₹ 30.54 lakhs under protests (included under the head loans and advances).
- (viii) The Sales Tax Authority, Maharashtra has raised demand of ₹ 104.86 lakhs on 26<sup>th</sup> March 2021 for F.Y. 2016-2017 under Central Sales Tax Act,1956. The Company has disputed the demand and preferring an appeal before The The Joint Commissioner of Sales Tax ,Pune.
- (ix) The Sales Tax Authority, Maharashtra has raised demand of ₹ 279.53 lakhs on 31<sup>st</sup> March 2021 for F.Y. 2017-2018 under VAT & Central Sales Tax Act,1956 . The Company has disputed the demand and preferring a rectification application before The Joint Commissioner of Sales Tax ,Pune.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

- (x) The Customs Authorities, Chennai have raised demand of ₹ 64.50 lakhs (Previous Year ₹ 64.50 lakhs) . Company has disputed the demand and has preferred an appeal before Madras High Court. On the basis of legal opinion the Company does not expect any liability. Company has already paid ₹ 53.75 lakhs under protests.
- (xi) The Service Tax Authorities, Shillong have raised demand of ₹ 362.65 lakhs ( Previous Year ₹ 362.65 lakhs) on sale of bought out items. The company has discharged liability of ₹ 28.76 lakhs by way of CENVAT reversal under protest and has preferred an appeal which is pending before the CESTAT.
- (xii) The Commissioner Central GST, Pune II Commissionerate has issued Order for Service Tax Demand U/s 73(1) & 73(2) along with Penalty U/s 78(1) of the Finance Act, 1994 for ₹ 667.33 Lakhs ( Previous Year ₹ 667.33 Lakhs) and ₹ 667.33 Lakhs ( Previous Year ₹ 667.33 Lakhs)respectively for the Period March 2013 to December 2015. The Company has disputed the demand and has preferred an appeal before The CESTAT Appellate Tribunal, Mumbai. Company has paid ₹ 50.05 lakhs under protests (included under the head loans and advances).
- (xiii) The Company has received Assessment order for the period June 2014 to March 2016 from Comercial Tax Department Vishakhapatnam in the m/o Nov-20 with Total Tax Demand of ₹ 100.20 Lakhs (Previous Year ₹ Nil ). Company Has filed appeal against the assessment order with ADC Appeal, Vijaywada. Company has paid as pre deposit ₹ 42.92 Lakhs under protest. Assessing officer has also imposed the Penalty of ₹ 100.20 ( Previous Year ₹ Nil) issued seprate order in the m/o Feb-21. Company has filed appeal against the assessment order with ADC Appeal, Vijaywada. Company has paid as pre deposit ₹ 12.52 Lakhs under protest.
- (xiv) The Joint Commissioner GST, Vishakhapatnam has issued Order in Oct-2020 under APGST Act for payment of SGST & CGST ₹ 348.17 Lakhs ( Previous Year ₹ Nil Lakhs). The Company has disputed the demand and has preferred an appeal before The Appellate Authority,Vijaywada. Company has paid ₹ 34.81 lakhs under protests (included under the head loans and advances).
- (xv) The Commercial Tax Officer, Hyderabad has raised the demand by disallowing the ₹ 313.66 Lacs refund paid to the Company in 2011 wrongly. Company disputed the order and filed writ petition in High Court seeking justice in the matter. High Court heard the petion and granted stay till the proceeding concluded.
- (xvi) Company has received a demand of ₹ 50.68 lakhs ( Previous Year ₹ 50.68 lakhs)from Employee's Provident Fund office The company has contested the demand raised, and filed a writ petition with Mumbai High Court. No provision is being made against the same based on the legal advice.
- (xvii) 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.

### (b) Guarantees

	As at March 31, 2021	As at March 31, 2020
Counter Guarantees by the company in respect of guarantees given by banks.	34,506	45,977

The Counter Guarantees by the company in respect of guarantees given by banks are considered till Claim Period for reporting purpose.

Out of the above Counter Guarantees by the company in respect of guarantees given by banks as on 31.03.2021, Bank Guarantees worth ₹ 3,600 Lakhs received on 25.06.2021 from TENDAHO SUGAR FACTORY PROJECTs

### (c) Open LC

	As at March 31, 2021	As at March 31, 2020
Open LC issued by Company but acceptance pending	1,148	696

### (d) Commitments

	As at March 31, 2021	As at March 31, 2020
Estimated amount of Contracts remaining to be executed on Capital Accounts not provided for (Net of advance)	43	364

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

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)****50 Disclosure as per amendment to clause 32 of the Listing Agreement**

₹ In lakhs

Particulars	Outstanding Balance		Maximum Balance during the year	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
1. Loans and Advances in the nature of Loans to Subsidiaries	-	-	-	-
2. Loans and Advances in the nature of Loans to associates	-	-	-	-
3. Loans and advances in the nature of loans to firms/companies in which directors are interested	-	-	-	-

**51 The details of amounts outstanding to Micro and Small Enterprises based on available information with the Company is as under:**

₹ In lakhs

Particulars	March 31, 2021	March 31, 2020
Principal Amount due and remaining unpaid	404	529
Interest due and the unpaid interest	33	24
Interest accrued and remaining unpaid	33	24
Amount of further interest remaining due and payable in succeeding years	33	24

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

**53** Inventory of work in progress includes ₹ 2194.21 lakhs (P.Y. ₹ 2194.21 Lakhs) of non moving inventory relating to orders which have been cancelled or kept on hold. The Company contains that this stock will either be liquidated or diverted to other projects without any loss arising therefrom. Hence no provisions has been made in the books of accounts.

**54 COVID-19 Impact to operations**

The COVID-19 outbreak and lockdown due to it, have materially and adversely affected the supply chain, Production and logistics during lockdown period. As a result, the Company's operating results have been negatively impacted. The Company could not achieve budgeted turnover and has also suffered additional operating losses. The impact of COVID-19 on operations are as follows:

**Sales deferral: 5,646 Lakhs (P.Y. ₹ 1,910 Lakhs)**

**Operating Loss Incurred: 1,694 Lakhs (P.Y. ₹ 570 Lakhs)**

The Company has made detailed assessment of its liquidity position for the next one year and of the recoverability and carrying values of its assets comprising Property, Plant and Equipment, Intangible assets, Trade receivables and Inventory as at the reporting period and has concluded that there are no material adjustments required in the financial results. The management believes that it has taken into account all the possible impact of known events arising from COVID-19 pandemic in the preparation of the financial results. To mitigate the working capital gap company has availed Emergency Credit Line of ₹ 2,200 Lacs from State Bank of India & Bank of India in order to continue its operations. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (CONTD.)

### 55 Right to Use / Lease Hold Land -

The Company has a Lease Hold Land at Dahej. The same is amortised over lease period.

₹ In lakhs

Particulars	March 31, 2021	March 31, 2020
A. Gross Value of Lease Hold Land	1,500	1,500
B. Less - Accumulated Amortisation		
P. Opening Accumulated Amortisation	263	197
Q. Add - Amortisation during the year	66	66
R. Closing Accumulated Amortisation	329	263
C. Net Value as at Balance sheet Dtae	1,171	1,237

R = P + Q

C = A - B

### 56 Non Current Asset Held for Sale

The Company has decided to sale its building at Pune. Board resolution to this effect has been passed during FY 2020-21. The company has executed Agreement for Sale in the month of February 2021 and has received advance payment of ₹ 850 Lakhs. Sale Deed shall be executed upon payment of balance amount by August 2021 and possession of the property will be transferred accordingly.

Since the carrying value of the asset is lower than its fair value, it has been disclosed at Carrying value. The company has not recognised any gain or loss in accordance with IND AS 105 upon categorising the Asset as Non Current Asset Held for Sale.

The asset is disclosed under "Heavy Engineering Division" segment in Segment reporting.

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

See accompanying notes forming part of the financial statements

#### As per our report attached

For **Jayesh Sanghrajka & Co. LLP**

Chartered Accountants  
FRN.: 104184W/W100075

#### Ashish Sheth

Designated Partner  
Membership No.: 107162

Date: June 29, 2021  
Place: Mumbai

#### For Walchandnagar Industries Limited

**Chirag C. Doshi**  
Managing Director & CEO  
DIN- 00181291

**Sandeep Jain**  
Chief Financial Officer

Date: June 29, 2021  
Place: Mumbai

**Dilip J. Thakkar**  
Director  
DIN- 00007339

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

## Important Statistical Data from 1908-09 to 2020-2021

₹ in Lakhs

Year	Paid up Capital		Reserves & Surplus	Debentures	Fixed Assets		Sales	Net Profit	Dividend paid on Pref. and Equity Shares	Equity Dividend
	Equity	Preference			Gross Block	Net Block				
1908-1909	2.50	2.83	-	-	3.50	3.50	10.14	0.28	0.93	4%
1909-1910	2.50	3.48	-	-	3.81	3.70	2.06	0.53	0.37	5%
1910-1911	2.50	3.50	-	-	4.08	3.95	2.11	0.71	0.39	6%
1911-1912	2.50	3.50	-	-	4.45	4.28	1.60	0.25	0.39	6%
1912-1913	2.50	3.50	-	-	4.34	4.18	1.58	0.34	0.24	-
1913-1914	2.50	3.50	-	-	4.88	3.90	2.71	1.10	0.39	6%
1914-1915	2.50	3.50	0.25	6.00	5.29	3.82	1.98	0.46	0.34	4%
1915-1916	2.50	3.50	0.25	5.75	5.17	3.60	2.35	0.82	0.34	4%
1916-1917	2.50	3.50	0.39	5.50	5.16	3.41	2.62	1.10	0.39	6%
1917-1918	2.50	3.50	0.64	5.25	5.33	3.34	1.97	0.40	0.24	-
1918-1919	2.50	3.50	0.64	4.75	5.31	2.88	2.03	0.44	0.12	-
1919-1920	2.50	3.50	0.64	4.75	5.31	2.88	2.03	0.44	0.12	-
1920-1921	2.50	3.50	0.91	4.50	5.61	3.27	3.53	1.56	0.64	6%
1921-1922	2.50	3.50	1.21	4.25	5.97	3.17	5.56	3.12	0.92	20%
1922-1923	2.50	3.50	2.16	4.00	6.11	3.01	3.32	1.32	0.42	7%
1923-1924	2.50	3.50	2.95	3.75	6.33	3.03	3.14	1.11	0.42	7%
1924-1925	2.50	3.50	3.27	3.50	5.98	2.19	3.42	1.17	0.48	8%
1925-1926	2.50	3.50	3.42	3.25	6.12	1.76	2.68	1.04	0.48	8%
1926-1927	2.50	3.50	3.41	-	6.60	1.96	1.85	0.47	0.24	-
1927-1928	2.50	3.50	3.76	-	6.75	1.94	1.27	0.23	0.24	-
1928-1929	2.50	3.50	3.75	-	6.89	2.08	0.55	0.02	-	-
1929-1930	2.50	3.50	3.38	-	6.16	1.61	0.14	-1.11	0.49	-
1930-1931	2.50	3.50	1.92	-	6.21	1.72	0.25	-0.01	0.24	-
1931-1932	2.50	3.50	1.97	-	5.86	1.37	0.32	-0.24	0.24	-
1932-1933	2.50	3.50	1.83	-	5.80	1.31	0.26	-0.01	0.24	-
1933-1934	2.50	3.50	2.01	4.00	13.37	8.88	0.07	-0.08	0.24	-
1934-1935	2.50	3.50	1.86	4.00	16.68	11.19	0.70	-0.12	0.24	-
1935-1936	2.50	3.50	1.06	4.00	17.19	17.19	1.38	0.01	0.24	-
1936-1937	2.50	3.50	1.09	3.67	19.16	19.16	15.66	0.26	-	-
1937-1938	2.50	3.50	1.57	3.20	19.74	19.49	19.67	0.73	0.53	-
1938-1939	10.00	3.50	3.99	3.03	22.89	15.19	20.55	3.14	2.24	20%
1939-1940	10.00	3.50	8.46	2.82	44.51	33.81	31.15	8.24	2.42	20%
1940-1941	10.00	3.50	12.56	23.22	51.11	36.66	54.61	6.52	2.82	24%
1941-1942	10.00	3.50	13.33	30.02	64.79	45.89	39.88	3.58	2.82	24%
1942-1943	10.00	3.50	25.87	30.02	71.09	47.94	54.89	15.38	4.02	36%
1943-1944	10.00	3.50	44.30	30.00	77.01	49.36	83.32	22.42	4.02	36%
1944-1945	23.50	3.50	51.72	48.26	83.19	51.54	78.12	14.13	6.45	36%
1945-1946	23.50	3.50	80.06	50.00	92.20	56.55	85.98	5.72	5.36	21%
1946-1947	50.50	3.50	51.68	50.00	107.09	66.94	75.50	0.70	0.24	-
1947-1948	101.00	3.50	28.27	50.00	128.27	78.12	151.55	40.07	10.47	10%
1948-1949	101.00	3.50	36.60	50.00	135.46	75.37	133.24	10.44	17.92	17.5%
1949-1950	101.00	3.50	33.62	50.00	157.64	89.23	147.72	14.72	12.36	12%
1950-1951	101.00	3.50	45.50	45.00	165.03	86.81	185.38	23.48	14.38	14%
1951-1952	101.00	3.50	59.20	45.00	177.67	91.12	216.26	25.52	14.38	14%
1952-1953	101.00	3.50	68.09	45.00	185.81	89.24	190.50	23.03	14.38	14%

₹ in Lakhs

Year	Paid up Capital		Reserves & Surplus	Debentures	Fixed Assets		Sales	Net Profit	Dividend paid on Pref. and Equity Shares	Equity Dividend
	Equity	Preference			Gross Block	Net Block				
1953-1954	101.00	3.50	79.40	45.00	190.33	85.90	196.24	25.47	16.40	16%
1954-1955	101.00	3.50	91.72	45.00	204.70	89.38	189.72	27.95	18.42	18%
1955-1956	101.00	3.50	110.22	25.76	228.81	129.62	214.63	33.00	21.46	21%
1956-1957	101.00	3.50	128.00	25.00	271.48	165.02	246.90	38.98	21.46	21%
1957-1958	101.00	3.50	122.12	25.00	295.28	177.60	354.05	27.96	21.46	21%
1958-1959	101.00	50.00	125.94	25.00	347.35	218.28	403.17	19.01	23.97	20%
1959-1960	101.00	50.00	135.33	100.00	426.90	280.79	390.72	19.92	20.15	15%
1960-1961	150.94	50.00	135.11	100.00	460.83	277.21	402.82	16.34	22.04	15%
1961-1962	151.49	50.00	128.43	100.00	498.28	288.76	538.39	14.38	23.12	12%
1962-1963	151.50	50.00	162.44	100.00	510.73	274.82	575.63	25.34	23.18	12%
1963-1964	151.50	50.00	72.36	100.00	520.54	268.37	550.69	30.21	26.21	14%
1964-1965	151.50	50.00	188.12	75.00	535.57	270.25	463.39	19.72	26.21	14%
1965-1966	151.50	50.00	226.65	75.00	592.61	354.43	510.47	16.76	23.18	12%
1966-1967	181.80	50.00	203.15	75.00	624.84	357.01	559.21	10.33	23.18	10%
1967-1968	181.80	50.00	238.75	75.00	850.16	357.03	788.52	50.72	26.82	12%
1968-1969	181.80	50.00	231.56	75.00	667.18	342.72	1041.56	16.38	23.18	10%
1969-1970	181.80	50.00	110.85	75.00	714.09	392.12	1074.80	-95.32	-	-
1970-1971	181.80	50.00	182.61	75.00	729.20	379.12	997.74	7.17*	-	-
1971-1972	181.80	50.00	208.36	75.00	762.77	335.97	1300.06	64.47	10.00	-
1972-1973	181.80	50.00	306.46	75.00	801.21	333.03	1649.72	86.62	31.62	12%
1973-1974	181.80	50.00	331.70	75.00	873.04	357.31	2184.57	48.71	19.00	7.70%
1974-1975	181.80	50.00	393.41	75.00	959.60	395.57	2453.00	58.15	26.82	12%
1975-1976	181.80	50.00	423.49	75.00	1058.21	423.44	2421.71	96.07	32.27	15%
1976-1977	182.98	50.00	423.04	73.82	1081.47	379.54	1970.06	40.83	32.33	15%
1977-1978	200.30	50.00	572.12	98.79	1772.72	1017.81	3615.05	195.77	33.75	15%
1978-1979	200.30	50.00	808.57	98.79	1920.74	1087.31	5031.11	263.06	37.05	16%
1979-1980	200.30	50.00	898.16	94.13	2131.56	1189.78	5572.98	121.30	37.05	16%
1980-1981	200.30	50.00	1104.94	69.46	2307.98	1248.17	5958.51	203.11	37.05	16%
1981-1982	200.30	50.00	1175.52	54.75	2441.32	1260.11	5754.26	111.63	41.05	18%
1982-1984 (18 Months)	300.45	50.00	**5401.27	40.14	11118.29	@5446.17	12715.01	230.15	79.61	24%
1984-1985	300.45	50.00	4735.39	20.00	11233.15	5169.87	10763.79	125.64	53.07	16%
1985-1986	300.45	50.00	**4833.16	20.00	\$12388.57	\$56322.02	9132.83	797.64*	-	-
1986-1987 (18 Months)	300.45	50.00	3538.79	20.00	10104.10	4915.55	10720.82	288.05*	-	-
1987-1988	300.45	50.00	3425.37	20.00	10074.99	4874.42	6140.79	0.94*	-	-
1988-1989	300.45	50.00	2819.95	20.00	9319.14	4306.41	7595.22	16.14*	-	-
1989-1990	300.45	50.00	**5647.33	20.00	(i)12893.64	(ii)6995.49	7129.48	35.57*	-	-
1990-1991	300.45	50.00	5132.30	20.00	13003.87	6094.85	8892.12	202.29	***68.55	12%
1991-1992	300.45	50.00	**11174.24	8.00	(iii)20403.10	(iv)11308.30	8871.05	849.60	65.09	20%
1992-1993	300.45	-	1059.55	-	20399.72	10203.16	9214.26	516.21	63.37	20%
1993-1994	300.45	-	10363.94	-	20423.66	9283.57	11361.56	705.72	60.09	20%
1994-1995	300.45	-	10677.14	-	20746.33	8636.18	16492.32	1195.74	75.11	25%
1995-1996	300.45	-	11283.01	-	21304.33	8306.83	18899.01	1452.15	82.62	27.5%
1996-1997	300.45	-	18822.30	-	(v)30470.60	(vi)15925.70	16600.58	979.22	82.62	27.5%
1997-1998	300.45	-	18291.16	-	30730.43	14650.54	17466.30	795.01	82.62	27.5%

₹ in Lakhs

Year	Paid up Capital		Reserves & Surplus	Debentures	Fixed Assets		Sales	Net Profit	Dividend paid on Pref. and Equity Shares	Equity Dividend
	Equity	Preference			Gross Block	Net Block				
1998-1999	300.45	-	17504.50	-	30983.72	13221.69	21006.70	738.52	90.14	30%
1999-2000	300.45	-	17089.64	-	31264.84	12037.02	22021.88	894.19	99.15	33%
2000-2001	300.45	-	14376.07	-	31466.54	10875.89	22883.70	-723.29	99.15	33%
2001-2002	300.45	-	21147.74	-	(vii)37089.76	17350.72	17951.34	249.73	75.11	25%
2002-2003	300.45	-	20255.68	-	37134.92	16059.72	15216.82	349.80	75.11	25%
2003-2004	300.45	-	19527.54	-	37438.77	15207.04	21618.25	398.72	82.62	27.5%
2004-2005	300.45	-	19297.32	-	38315.75	14945.35	25279.95	772.39	90.14	30%
2005-2006	300.45	-	19533.81	-	40188.42	15801.12	35855.63	1329.43	135.20	45%
2006-2007	300.45	-	21976.64	-	42849.96	17381.79	63279.94	3556.33	300.45	100%
2007-2008	760.90	-	41424.52	-	(viii)57879.57	31956.79	69604.31	3976.93	380.45	50%
2008-2009	761.40	-	41960.83	-	62639.64	34311.67	51261.53	2340.13	380.70	50%
2009-2010	761.40	-	40340.96	-	64902.96	33996.72	67237.11	2228.91	380.70	50%
2010-2011	761.40	-	39934.99	-	67521.53	33823.03	95767.35	1279.78	380.70	50%
2011-2012	761.40	-	39346.16	-	69030.04	32416.23	88147.09	1212.64	380.70	50%
2012-2013	761.40	-	69881.57	-	(ix) 104975.85	65866.93	72651.35	-3828.17	152.28	20%
2013-2014	761.40	-	66273.50	-	105190.97	62142.72	63823.10	-1236.63	152.28	20%
2014-2016	761.40	-	55433.30	-	105699.36	56101.51	80212.36	-7168.45	-	-
2016-2017	761.40	-	46931.18	-	105998.44	52548.56	39791.05	-6425.63	-	-
2017-2018	761.00	-	33143.00	5700	43129.00	36385.00	39841.00	-2540.00	-	-
2018-2019	761.00	-	32773.00	5700	43325.00	34215.00	36405.00	-214.00	-	-
2019-2020	761.00	-	26147.00	4431	44491.00	33120.00	29805.00	-6546.00	-	-
2020-2021	761.00	-	20409.00	4431	45462.00	31874.00	32564.00	-5724.00	-	-

**NOTES:**

1. \* Subject to Depreciation.
2. \*\* Including the effect of Revaluation of certain fixed assets.
3. Including the effect of Revaluation of certain fixed assets as at 30-09-90.
  - @ Gross amount written up ₹ 8432.67 Lakhs.
  - @ Accumulated Depreciation written up ₹ 3775.62 Lakhs.
4. Including the effect of Revaluation of certain fixed assets as at 31-03-86.
  - \$ Gross amount written up ₹ 906.89 Lakhs.
  - \$\$ Accumulated Depreciation written up ₹ 11.21 Lakhs.
5. Including the effect of Revaluation of certain fixed assets as at 30-09-90.
  - (i) Gross amount written up ₹ 3556.43 Lakhs.
  - (ii) Accumulated Depreciation written up ₹ 334.16 Lakhs.
6. \*\*\* Includes Preference Dividend for the years. 1985-86, 1986-87, 1987-88, 1988-89, 1989-90.
7. Including the effect of Revaluation of certain fixed assets as at 30-09-92.
  - (iii) Gross amount written up ₹ 7526.25 Lakhs.
  - (iv) Accumulated Depreciation written up ₹ 1618.56 Lakhs.
8. Including the effect of Revaluation of certain fixed assets as at 01-10-96.
  - v) Gross amount written up ₹ 7985.90 Lakhs.
  - (vi) Accumulated Depreciation written up ₹ 20.30 Lakhs.
9. Including the effect of Revaluation of certain fixed assets as on 01-10-96 ₹ 7965.60 Lakhs.
10. Including the effect of Revaluation of certain fixed assets as on 01-04-2002 (vii) Gross Amount written up ₹ 5449.30 Lakhs.
11. Including the effect of Revaluation of certain fixed assets as on 01-10-2007 (viii) Gross Amount written up ₹ 11263.32 Lakhs.
12. Including the effect of Revaluation of certain fixed assets as on 30-09-2013 (ix) Gross Amount written up ₹ 35510.41 Lakhs.
13. Figures upto F.Y. 2016-17 as per Indian GAAP.
14. Figures for F.Y. 2017-18 as per Indian AS.
15. Figures from F.Y 2017-18 are as per IND-AS.





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