

Disclaimer to be added on the website of WPIL Limited for uploading the PD

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the Placement Document for the private placement of equity shares ("**Equity Shares**") of WPIL Limited (the "**Company**") filed with BSE Limited and The Calcutta Stock Exchange Limited. You are advised to read this disclaimer carefully before reading, accessing or making any other use of the Placement Document. The Placement Document is available for you to read on screen and to print in PDF format. By accessing the Placement Document, you agree to follow the following terms and conditions, including any modifications to them from time to time.

- 1.1 The issue and distribution of the Placement Document is being done in reliance on Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("**SEBI Regulations**"), and Section 42 of the Companies Act, 2013, read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules 2014, each as amended. **No offer is being made to the public or to any other category of investors.**
- 1.2 The Placement Document has not been and will not be registered as a prospectus with any Registrar of Companies in India under the Companies Act, 2013. The Placement Document has not been and will not be reviewed or approved by any regulatory authority in India, including the Securities and Exchange Board of India, the Reserve Bank of India, any Registrar of Companies in India or any stock exchange in India. The Placement Document is not and should not be construed as an invitation, offer or sale of any securities to the public in any jurisdiction, including India.
- 1.3 The electronic version of the Placement Document you are seeking access to, are being made available on this website by the Company in good faith and for information purposes only.
- 1.4 You may not and are not authorized to (1) deliver the Placement Document to any other person, in whole or in part or otherwise provide access via e-mail or otherwise to any other person or (2) reproduce the Placement Document in any manner whatsoever. Failure to comply with this directive may result in a violation of the SEBI Regulations or other applicable laws of India.
- 1.5 The Placement Document does not constitute or form a part of any offer or solicitation to purchase or subscribe for the Equity Shares in the United States or in any jurisdiction in which such offer or solicitation would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. The offer and sale of the Equity Shares has not been and will not be registered under the U.S. Securities Act of 1933 (the "**Securities Act**"), and the Equity Shares may not be offered or sold, directly or indirectly, within the United States except pursuant to a transaction exempt from or not subject to the registration requirements of the Securities Act and in compliance with the securities laws of any state or other jurisdiction of the United States. There will be no offering of the Equity Shares in the United States. The Equity Shares are only being

offered and sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where the Equity Shares are offered and sold. The Equity Shares will also not be registered under the applicable securities laws of any state, province, territory, county or jurisdiction of Australia, Canada, The People's Republic of China or Japan. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, in or into Australia, Canada, The People's Republic of China or Japan or any other jurisdiction if to do so would constitute a violation of the relevant laws of, or require registration thereof in, such jurisdiction.

- 1.6 None of the Company, the Book Running Lead Manager (as defined in the Placement Document) and any of their respective affiliates, directors, officers, employees, agents, representatives or advisers accepts any liability whatsoever for any loss howsoever arising from any use of this website or the Placement Document or their respective contents or otherwise arising in connection therewith.
- 1.7 You are responsible for protecting against viruses and other destructive items. Your use of this website is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

Confirmation of your understanding and acceptance of conditions

1. By clicking on the "I AGREE" button, I certify that I am located in India and am not accessing this website in the United States, Australia, Canada, the People's Republic of China, Japan or any other restricted jurisdiction.
2. I have read and understood the disclaimer set out above. I understand that it may affect my rights. I agree to be bound by its terms. By clicking on the "I AGREE" button, I confirm that I am permitted to view the Placement Document.

Rejection Screen

To be used if the person does not accept the terms and conditions of accessing the placement document.

“Thank you for your interest, unfortunately legal restrictions prevent us from allowing you access to this part of the website.

If you are a resident of India accessing this website from within India, please contact *[insert contact details of the person at the organisation who can send a copy of the placement document to the interested party]*.”



WPIL LIMITED

(WPIL Limited (the “Company”) was incorporated on February 26, 1952, in the Republic of India with limited liability having Company Identification Number L36900WB1952PLC020274 under the Indian Companies Act, VII of 1913. The registered and corporate office of the Company is located at Trinity Plaza, 3rd Floor 84/1A, Topsia Road (South) Kolkata – 700 046) Telephone No.: +91 33 3021 6800; Facsimile No.: +91 33 3021 6835; Website: www.wpil.co.in

The Company is issuing up to 1,800,000 equity shares of face value of ₹ 10 each (the “Equity Shares”) at a price of ₹ 559.40 per Equity Share (the “Issue Price”), including a premium of ₹ 549.40 per Equity Share, aggregating upto ₹ 1,006.92 million (the “Issue”).

ISSUE IN RELIANCE UPON CHAPTER VIII OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED (THE “SEBI REGULATIONS”), AND SECTION 42 OF THE COMPANIES ACT, 2013, READ WITH THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, EACH AS AMENDED

All of our outstanding Equity Shares are listed on BSE Limited (the “BSE”) and The Calcutta Stock Exchange Limited (“CSE”). The closing price of the Equity Shares on the BSE as at December 10, 2014 was ₹ 603.50 per Equity Share. There are no trades in the Equity Shares of the Company on the platform of CSE since the year 2006. In-principle approvals under Clause 24(a) of the Listing Agreement (as defined hereinafter) for listing of the Equity Shares have been received from the BSE and CSE on December 11, 2014 and December 12, 2014, respectively. Applications are expected to be made to the BSE and CSE for obtaining the listing and trading approval in relation to the Equity Shares expected to be issued in connection with this Issue. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the Equity Shares to be issued pursuant to this Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of the Company, its business or the Equity Shares.

THE COMPANY HAS PREPARED THIS PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE PROPOSED ISSUE.

A copy of the Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4 (as hereinafter defined)) has been delivered to the Stock Exchanges, and a copy of this Placement Document (which includes disclosures prescribed under Form PAS-4) has been delivered to the Stock Exchanges. The Company shall also make the requisite filings with the Registrar of Companies, West Bengal, at Kolkata (the “RoC”), and the Securities and Exchange Board of India (“SEBI”), each within the stipulated period as required under the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014. This Placement Document has not been reviewed by SEBI, the Reserve Bank of India (the “RBI”), the Stock Exchanges, the RoC or any other regulatory or listing authority and is intended only for use by the eligible qualified institutional buyers (“Eligible QIBs”) as defined hereinafter. This Placement Document has not been and will not be registered as a prospectus with the registrar of companies in India, will not be circulated or distributed to the public in India or any other jurisdiction, and will not constitute a public offer in India or any other jurisdiction.

THE DISTRIBUTION OF THIS PLACEMENT DOCUMENT IS BEING MADE TO ELIGIBLE QIBs (AS HEREINAFTER DEFINED) IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, 2013, READ WITH THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AND CHAPTER VIII OF THE SEBI REGULATIONS. THIS PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR TO ANY OTHER PERSON OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN TO ELIGIBLE QIBs. THIS PLACEMENT DOCUMENT (WHICH INCLUDES DISCLOSURES PRESCRIBED UNDER FORM PAS-4) WILL BE CIRCULATED ONLY TO SUCH ELIGIBLE QIBs WHOSE NAMES ARE RECORDED BY THE COMPANY PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES.

YOU MAY NOT AND ARE NOT AUTHORISED TO (1) DELIVER THIS PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENT OR UTILIZE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THIS ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE SEBI REGULATIONS OR OTHER APPLICABLE LAWS OF INDIA AND/OR OTHER JURISDICTIONS.

INVESTMENTS IN EQUITY SHARES INVOLVE A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THIS ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ THE SECTION “RISK FACTORS” ON PAGE 31 OF THIS PLACEMENT DOCUMENT BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE EQUITY SHARES IN ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES BEING ISSUED PURSUANT TO THIS PLACEMENT DOCUMENT.

Invitations for subscription of the Equity Shares to be issued pursuant to this Issue shall only be made pursuant to the Preliminary Placement Document, this Placement Document together with the Application Form and Confirmation of Allocation Note (as hereinafter defined). For further details, see the section “Issue Procedure” on page 106 of this Placement Document. The distribution of this Placement Document or the disclosure of its contents without prior consent of the Company to any person, other than Eligible QIBs and persons retained by Eligible QIBs to advise them with respect to their purchase of Equity Shares, is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions and make no copies of this Placement Document and/ or any of the documents referred to in this Placement Document.

The Equity Shares being offered and sold in this Issue have not been and will not be registered under the U.S. Securities Act of 1933 (the “U.S. Securities Act”), and may not be offered and sold within the United States except pursuant to an exemption from, or in a transaction not subject to the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in accordance with Regulation S under the U.S. Securities Act (“Regulation S”). See the sections “Selling Restrictions” and “Transfer Restrictions” on page 119 and 124, respectively of this Placement Document.

The information on the website of the Company, any website directly or indirectly linked to the Company’s website, or the website of the Book Running Lead Manager or its affiliates does not form part of this Placement Document and prospective investors should not rely on such information contained in, or available through, any such websites.

This Placement Document is dated December 12, 2014

BOOK RUNNING LEAD MANAGER	
	
Edelweiss Financial Services Limited	

TABLE OF CONTENTS

NOTICE TO INVESTORS	1
REPRESENTATIONS BY INVESTORS	3
DISCLAIMER CLAUSE OF THE STOCK EXCHANGES	8
PRESENTATION OF FINANCIAL AND OTHER INFORMATION	9
INDUSTRY AND MARKET DATA	10
FORWARD-LOOKING STATEMENTS	11
ENFORCEMENT OF CIVIL LIABILITIES	13
EXCHANGE RATE INFORMATION	14
DEFINITIONS AND ABBREVIATIONS.....	15
DISCLOSURE REQUIREMENTS UNDER FORM PAS-4 PRESCRIBED UNDER THE COMPANIES ACT, 2013	20
SUMMARY OF BUSINESS	23
SUMMARY OF THE ISSUE	27
SUMMARY FINANCIAL INFORMATION.....	30
RISK FACTORS	31
MARKET PRICE INFORMATION	47
USE OF PROCEEDS	49
CAPITALISATION STATEMENT	50
CAPITAL STRUCTURE	51
DIVIDEND POLICY	52
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	53
INDUSTRY OVERVIEW.....	72
BUSINESS.....	79
SUPERVISION AND REGULATION	89
BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL	94
PRINCIPAL SHAREHOLDERS.....	104
ISSUE PROCEDURE	106
PLACEMENT	117
SELLING RESTRICTIONS	119
TRANSFER RESTRICTIONS	124
THE SECURITIES MARKET OF INDIA	125
DESCRIPTION OF THE EQUITY SHARES	128
STATEMENT OF TAX BENEFITS	131
LEGAL PROCEEDINGS.....	141
STATUTORY AUDITORS	145
GENERAL INFORMATION.....	146
FINANCIAL STATEMENTS	147
DECLARATION	148

NOTICE TO INVESTORS

The Company has furnished and accepts full responsibility for all of the information contained in this Placement Document and confirms that to its best knowledge and belief, having made all reasonable enquiries, this Placement Document contains all information with respect to the Company, its Subsidiaries, its Joint Ventures and its associate companies (together the **Group**) and the Equity Shares which are material in the context of this Issue. The statements contained in this Placement Document relating to the Company, the Group and the Equity Shares are, in all material respects, true and accurate and not misleading, and the opinions and intentions expressed in this Placement Document with regard to the Company, the Group and the Equity Shares are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available to the Company. There are no other facts in relation to the Company, the Group and the Equity Shares, the omission of which would, in the context of this Issue, make any statement in this Placement Document misleading in any material respect. Further, the Company has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements.

The Book Running Lead Manager has not separately verified the information contained in this Placement Document (financial, legal or otherwise). Neither the Book Running Lead Manager nor any of its respective members, employees, counsel, officers, directors, representatives, agents or affiliates makes any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the Book Running Lead Manager as to the accuracy or completeness of the information contained in this Placement Document or any other information supplied in connection with the Equity Shares. Each person receiving this Placement Document acknowledges that such person has not relied on either the Book Running Lead Manager or on any of its shareholders, employees, counsel, officers, directors, representatives, agents or affiliates in connection with such person's investigation of the accuracy of such information or such person's investment decision, and each such person must rely on its own examination of the Company and the Group and the merits and risks involved in investing in the Equity Shares, issued pursuant to this Issue.

No person is authorised to give any information or to make any representation not contained in this Placement Document and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of the Company or the Book Running Lead Manager. The delivery of this Placement Document at any time does not imply that the information contained in it is correct as of any time subsequent to its date.

The distribution of this Placement Document or the disclosure of its contents without the prior consent of the Company to any person, other than QIBs whose names are recorded by the Company prior to the invitation to subscribe to this Issue (in consultation with the Book Running Lead Manager or their representatives) and those retained by QIBs to advise them with respect to their purchase of the Equity Shares is unauthorised and prohibited.

Each prospective investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Placement Document or any documents referred to in this Placement Document.

The Equity Shares have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction. No regulatory authority has passed on or endorsed the merits of this Issue or the accuracy or adequacy of this Placement Document. Any representation to the contrary is a criminal offence in certain jurisdictions.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The Equity Shares have not been recommended by any foreign federal or state securities commission or regulatory authority. The distribution of this Placement Document and the issue of the Equity Shares may be restricted in certain jurisdictions by law. As such, this Placement Document does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been taken by the Company and the Book Running Lead Manager which would permit an issue of the Equity Shares or distribution of this Placement Document in any jurisdiction, other than India, where action for that purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Placement Document nor any other Issue-related materials in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction.

The Equity Shares have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in accordance with Regulation S. The Equity Shares are transferable only in accordance with the restrictions described in the section “Transfer Restrictions” on page 124 of this Placement Document. Subscribers of the Equity Shares will be deemed to make the representations set forth in the sections “Representations by Investors” and “Transfer Restrictions” on page 3 and 124, respectively of this Placement Document.

In making an investment decision, prospective investors must rely on their own examination of the Company, the Group and the terms of this Issue, including the merits and risks involved. Investors should not construe the contents of this Placement Document as legal, tax, accounting or investment advice. Investors should consult their own counsel and advisors as to business, legal, tax, accounting and related matters concerning this Issue. In addition, neither the Company nor the Book Running Lead Manager are making any representation to any offeree or subscriber or purchaser of the Equity Shares regarding the legality of an investment in the Equity Shares by such offeree or subscriber under applicable legal, investment or similar laws or regulations. Each subscriber of the Equity Shares in this Issue is deemed to have acknowledged, represented and agreed that it is eligible to invest in India and in the Company under Indian laws, including Section 42 of the Companies Act, 2013, read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, and Chapter VIII of the SEBI Regulations and is not prohibited by SEBI or any other statutory authority from buying, selling or dealing in the securities including the Equity Shares. Each subscriber of the Equity Shares in this Issue also acknowledges that it has been afforded an opportunity to request from the Company and review information relating to the Company and the Equity Shares.

This Placement Document contains summaries of certain terms of certain documents, which summaries are qualified in their entirety by the terms and conditions of such document.

The information on the Company’s website, www.wpil.co.in, any website directly and indirectly linked to the website of the Company or on the website of the Book Running Lead Manager, or their affiliates, neither constitute nor form part of this Placement Document. Prospective investors should not rely on such information contained in, or available through, such websites.

NOTICE TO INVESTORS IN CERTAIN OTHER JURISDICTIONS

For information in certain other jurisdictions see the sections “Selling Restrictions” and “Transfer Restrictions” on page 119 and 124, respectively of this Placement Document.

REPRESENTATIONS BY INVESTORS

References herein to “you” or “your” are to the prospective investors in this Issue.

By bidding for and/ or subscribing to any Equity Shares in this Issue, you are deemed to have represented, warranted, acknowledged and agreed with the Company and the Book Running Lead Manager, as follows:

- You are a QIB as defined in Regulation 2(1)(zd) of the SEBI Regulations and not excluded pursuant to Regulation 86(1)(b) of the SEBI Regulations, having a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allocated to you in accordance with Chapter VIII of the SEBI Regulations and undertake to comply with the SEBI Regulations, the Companies Act and all other applicable laws, including any reporting obligations;
- If you are not a resident of India, but a QIB, you are an Eligible FPI including an FII (including a sub- account other than a sub-account which is a foreign corporate or a foreign individual) having a valid and existing certificate of registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution or an FVCI, and have a valid and existing registration with SEBI under the applicable laws in India and are eligible to invest in India under applicable law, including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 (“**FEMA 20**”), and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, from buying, selling or dealing in securities;
- You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws;
- If you are Allotted Equity Shares pursuant to the Issue, you shall not, for a period of one year from the date of Allotment, sell the Equity Shares so acquired except on the floor of the Stock Exchanges;
- You have made, or are deemed to have made, as applicable, the representations set forth under the sections “Selling Restrictions” and “Transfer Restrictions” on page 119 and 124, respectively of this Placement Document;
- You are aware that the Equity Shares issued pursuant to the Issue have not been and will not be registered through a prospectus under the Companies Act (as defined hereinafter), the SEBI Regulations or under any other law in force in India. The Preliminary Placement Document and this Placement Document has not been reviewed or affirmed by the RBI, SEBI, the Stock Exchanges, the RoC or any other regulatory or listing authority and is intended only for use by QIBs;
- Further, the Preliminary Placement Document and this Placement Document has not been verified or affirmed by SEBI or the Stock Exchanges;
- You are entitled to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions that apply to you and that you have fully observed such laws and you have necessary capacity, have obtained all necessary consents, governmental or otherwise, and authorisations and complied with all necessary formalities, to enable you to commit to participation in this Issue and to perform your obligations in relation thereto (including, without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorisations to agree to the terms set out or referred to in this Placement Document), and will honour such obligations;
- You agree that neither the Company nor the Book Running Lead Manager or any of its shareholders, directors, officers, employees, counsel, representatives, agents or affiliates are making any recommendations to you or advising you regarding the suitability of any transactions it may enter into in connection with this Issue and your participation in this Issue is on the basis that you are not, and will not, up to the Allotment, be a client of the Book Running Lead Manager. Neither the Book Running Lead Manager nor any of its shareholders, directors, officers, employees, counsel, representatives, agents or affiliates have any duties or responsibilities to you for providing the protection afforded to their clients or customers or for providing advice in relation to this Issue and are not in any way acting in any fiduciary capacity;

- You confirm that, either: (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents (the “**Company Presentations**”) with regard to our Company or this Issue; or (ii) if you have participated in or attended any of our Company Presentations: (a) you understand and acknowledge that the Book Running Lead Manager may not have knowledge of the statements that our Company or its agents may have made at such Company Presentations and are therefore unable to determine whether the information provided to you at such Company Presentations may have included any material misstatements or omissions, and, accordingly you acknowledge that the Book Running Lead Manager have advised you not to rely in any way on any information that was provided to you at such Company Presentations, and (b) you confirm that, to the best of your knowledge, you have not been provided any material information relating to our Company and this Issue that was not publicly available;
- All statements other than statements of historical fact included in this Placement Document, including, without limitation, those regarding our Company’s future financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our Company’s business), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our Company’s present and future business strategies and environment in which our Company will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as at the date of this Placement Document. The Company assumes no responsibility to update any of the forward-looking statements contained in this Placement Document;
- You are aware and understand that the Equity Shares are being offered only to QIBs and are not being offered to the general public, and the Allotment of the same shall be on a discretionary basis at the discretion of the Company and the Book Running Lead Manager;
- You are aware that if you are Allotted any Equity Shares, the Company is required to disclose details such as your name, address and the number of Equity Shares Allotted to the RoC and the SEBI and you consent to such disclosures
- You are aware that if you are Allotted more than 5% of the Equity Shares in this Issue, the Company is required to disclose your name and the number of Equity Shares Allotted to the Stock Exchanges and the Stock Exchanges will make the same available on their website and you consent to such disclosures. Further, if you are one of the top 10 Equity Shareholders, the Company will be required to make a filing with the RoC within 15 days of the change in shareholding as per Section 93 of the Companies Act, 2013;
- You have been provided a serially numbered copy of this Placement Document and have read it in its entirety, including in particular, the section “Risk Factors” on page 31 of this Placement Document;
- In making your investment decision, you have (i) relied on your own examination of the Company and the terms of this Issue, including the merits and risks involved, (ii) made and will continue to make your own assessment of the Company, the Equity Shares and the terms of this Issue based solely on the information contained in the Preliminary Placement Document and this Placement Document and no other disclosure or representation by the Company or any other party, (iii) consulted your own independent counsel and advisors or otherwise have satisfied yourself concerning, without limitation, the effects of local laws, (iv) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of the Company and the Equity Shares, and (v) relied upon your own investigation and resources in deciding to invest in this Issue;
- Neither the Book Running Lead Manager nor any of its shareholders, directors, officers, employees, counsel, representatives, agents or affiliates have provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity Shares (including but not limited to this Issue and the use of the proceeds from the Equity Shares). You will obtain your own independent tax advice from a reputable service provider and will not rely on the Book Running Lead Manager or any of its shareholders, directors, officers, employees, counsel, representatives, agents or affiliates when evaluating the tax consequences in relation to the Equity Shares (including but not limited to this Issue and the use of the proceeds from the Equity Shares). You waive, and agree not to assert any claim against the Company or the Book Running Lead Manager or any of its shareholders, directors, officers,

employees, counsel, representatives, agents or affiliates with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;

- You are a sophisticated investor and have such knowledge and experience in financial, business and investment matters as to be capable of evaluating the merits and risks of an investment in the Equity Shares. You are experienced in investing in private placement transactions of securities of companies in a similar nature of business, similar stage of development and in similar jurisdictions. You and any accounts for which you are subscribing for the Equity Shares (i) are each able to bear the economic risk of your investment in the Equity Shares, (ii) will not look to the Company and/or the Book Running Lead Manager or any of its shareholders, directors, officers, employees, counsel, representatives, agents or affiliates for all or part of any such loss or losses that may be suffered in connection with this Issue, including losses arising out of non-performance by the Company of any of its obligations or any breach of any representations and warranties by the Company, whether to you or otherwise, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) have no need for liquidity with respect to the investment in the Equity Shares and (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares. You acknowledge that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment. You are seeking to subscribe to the Equity Shares in this Issue for your own investment and not with a view to resell or distribute;
- If you are acquiring the Equity Shares to be issued pursuant to this Issue for one or more managed accounts, you represent and warrant that you are authorised in writing, by each such managed account to acquire such Equity Shares for each managed account and to make (and you hereby make) the representations, warranties, acknowledgements and agreements herein for and on behalf of each such account, reading the reference to “you” to include such accounts;
- You are not a ‘promoter’ (as defined under the SEBI Regulations) of the Company or any of its affiliates and are not a person related to the promoter, either directly or indirectly and your Bid does not directly or indirectly represent the ‘promoter’, or ‘promoter group’, (as defined under the SEBI Regulations) or person related to promoters of the Company;
- You agree that in terms of Section 42(7) of the Companies Act, 2013, we shall file the list of QIBs (to whom the Placement Document are circulated) along with other particulars with the RoC and SEBI within 30 days of circulation of the Preliminary Placement Document and other filings required under the Companies Act, 2013.
- You have no rights under a shareholders’ agreement or voting agreement with the promoter or persons related to the promoter, no veto rights or right to appoint any nominee director on the Board of Directors of the Company other than the rights acquired, if any, in the capacity of a lender not holding any Equity Shares which shall not be deemed to be a person related to the promoter;
- You will have no right to withdraw your Bid after the Bid/Issue Closing Date;
- You are eligible to apply and hold the Equity Shares Allotted to you together with any Equity Shares held by you prior to this Issue. Further, you confirm that your aggregate holding after the Allotment of the Equity Shares shall not exceed the level permissible as per any applicable law or regulation;
- The Bid made by you would not result in triggering a tender offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the “**Takeover Regulations**”);
- To the best of your knowledge and belief, your aggregate holding, together with other QIBs in this Issue that belong to the same group or are under common control as you, pursuant to the Allotment under this Issue shall not exceed 50.00% of this Issue. For the purposes of this representation:
 - (a) the expression ‘belong to the same group’ shall derive meaning from the concept of ‘companies under the same group’ as provided in sub-section (11) of Section 372 of the Companies Act, 1956; and
 - (b) ‘Control’ shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the Takeover Regulations;

- You shall not undertake any trade in the Equity Shares credited to your beneficiary account until such time that the final listing and trading approvals for such Equity Shares is issued by the Stock Exchanges;
- You are aware that (i) applications for in-principle approval, in terms of clause 24(a) of the Listing Agreement, for listing and admission of the Equity Shares on the Stock Exchanges were made and approval has been received from each of the Stock Exchanges, and (ii) the applications for the final listing and trading approval will be made only after Allotment. There can be no assurance that the final approvals for listing of the Equity Shares will be obtained in time or at all. The Company shall not be responsible for any delay or non-receipt of such final approval or any loss arising from such delay or non-receipt;
- You are aware and understand that the Book Running Lead Manager has entered into a placement agreement with the Company, whereby the Book Running Lead Manager has, subject to the satisfaction of certain conditions set out therein, agreed to manage this Issue and use their reasonable efforts as agents of the Company to procure subscriptions for the Equity Shares on the terms and conditions set forth therein;
- The contents of this Placement Document are exclusively the responsibility of the Company, and neither the Book Running Lead Manager nor any person acting on its behalf has or shall have any liability for any information, representation or statement contained in this Placement Document or any information previously published by or on behalf of the Company and will not be liable for your decision to participate in this Issue based on any information, representation or statement contained in this Placement Document or otherwise. By accepting a participation in this Issue, you agree to the same and confirm that the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in this Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares, you have neither received nor relied on any other information, representation, warranty or statement made by or on behalf of the Book Running Lead Manager or the Company or any of its affiliates or any other person, and neither the Book Running Lead Manager nor the Company nor any other person will be liable for your decision to participate in this Issue based on any other information, representation, warranty or statement that you may have obtained or received;
- You understand that the Book Running Lead Manager do not have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in this Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with this Issue, including non-performance by the Company of any of its obligations or any breach of any representations and warranties by the Company, whether to you or otherwise;
- You are eligible to invest in India under applicable law, including the FEMA 20, as amended and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, from buying, selling or dealing in securities;
- You agree that any dispute arising in connection with this Issue will be governed by and construed in accordance with the laws of Republic of India, and the courts in Mumbai, India shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Preliminary Placement Document and this Placement Document;
- Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares in this Issue;
- You agree to indemnify and hold the Company and the Book Running Lead Manager and their respective officers, directors, affiliates, associates and representatives harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the foregoing representations, warranties, acknowledgements and undertakings made by you in this Placement Document. You agree that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts; and
- You acknowledge that the Company, the Book Running Lead Manager, its affiliates and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings, which

are given to the Book Running Lead Manager on its own behalf and on behalf of the Company, and are irrevocable.

- You agree that each of the representations, warranties, acknowledgments and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares issued pursuant to the Issue.
- You understand that the Equity Shares will, when issued pursuant to the Issue, be credited as fully paid and will rank pari passu in all respects with the existing Equity Shares including the right to receive all dividends and other distributions declared, made or paid in respect of the Equity Shares after the date of this Issue.

OFFSHORE DERIVATIVE INSTRUMENTS (P-NOTES)

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI (Foreign Portfolio Investors) Regulations, 2014, as amended (“**FPI Regulations**”), FPIs (other than Category III foreign portfolio investors and unregulated broad based funds, which are classified as Category II FPIs (as defined in the FPI Regulations) by virtue of their investment manager being appropriately regulated unless such FPIs have entered into an offshore derivative instrument with an FII prior to January 7, 2014 or were registered as clients of an FII prior to January 7, 2014), including the affiliates of the Lead Manager may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying, and all such offshore derivative instruments are referred to herein as “P-Notes”), for which they may receive compensation from the purchasers of such instruments. P-Notes may be issued only in favour of those entities which are regulated by any appropriate foreign regulatory authorities subject to compliance with ‘know your client’ requirements. An FPI shall also ensure that no further issue or transfer of any instrument referred to above is made to any person other than such entities regulated by appropriate foreign regulatory authorities. P-Notes have not been and are not being offered or sold pursuant to this Placement Document. This Placement Document does not contain any information concerning P-Notes or the issuer(s) of any P-notes, including any information regarding any risk factors relating thereto.

Any P-Notes that may be issued are not securities of the Company and do not constitute any obligation of, claims on or interests in the Company. The Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to any P-Notes. Any P-Notes that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to the Company. The Company and the Book Running Lead Manager do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with any P-Notes. Any P-Notes that may be issued are not securities of the Book Running Lead Manager and do not constitute any obligations of or claims on the Book Running Lead Manager. Affiliates of the Book Running Lead Manager which are Eligible FPIs or FIIs may purchase, to the extent permissible under law, the Equity Shares in this Issue, and may issue P-Notes in respect thereof.

Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosures as to the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes from the issuer(s) of such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes or any disclosure related thereto. Prospective investors are urged to consult their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGES

As required, a copy of the Preliminary Placement Document and this Placement Document has been submitted to the Stock Exchanges. The Stock Exchanges does not in any manner:

- (1) warrant, certify or endorse the correctness or completeness of any of the contents of this Placement Document;
- (2) warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges; or
- (3) take any responsibility for the financial or other soundness of the Company, its Promoters, its management or any scheme or project of the Company;

and it should not for any reason be deemed or construed to mean that this Placement Document has been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquire any Equity Shares may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

In this Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to ‘you’, ‘your’, ‘offeree’, ‘purchaser’, ‘subscriber’, ‘recipient’, ‘investors’, ‘prospective investors’ and ‘potential investor’ are to the prospective investors in this Issue, references to the ‘Company’, ‘WPIL’, ‘Issuer’, ‘we’, ‘us’ or ‘our’ are to WPIL Limited.

In this Placement Document, references to ‘US\$’, ‘USD’ and ‘U.S. dollars’ are to the legal currency of the United States of America, references to ‘A\$’ are to legal currency of Australia, references to ‘S\$’ are to legal currency of Singapore and references to ‘₹’, ‘INR’, ‘Rs.’, ‘Indian Rupees’ and ‘Rupees’ are to the legal currency of India. All references herein to the ‘US’ or ‘U.S.’ or the ‘United States’ are to the United States of America and its territories and possessions. All references herein to “India” are to the Republic of India and its territories and possessions and the ‘Government’ or the ‘Central Government’ or the ‘State Government’ are to the Government of India, central or state, as applicable.

References to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable, and the words “lakh” or “lac” mean “100 thousand” and the word “million” means “10 lakh” and the word “crore” means “10 million” or “100 lakhs” and the word “billion” means “1,000 million” or “100 crores”.

The financial year of the Company commences on April 1 of each calendar year and ends on March 31 of the following calendar year, and, unless otherwise specified or if the context requires otherwise, all references to a particular ‘Fiscal Year’ or ‘fiscal’ or ‘FY’ are to the twelve month period ended on March 31 of that year. The consolidated financial statements of our Company as of and for the Fiscal Years ended March 31, 2014, 2013 and 2012, and the unaudited and reviewed standalone financial statements of the Company as of and for the six month period ended September 30, 2014, included herein have been prepared in line with the accounting principles generally accepted in India and have been audited by the Auditors in accordance with the applicable generally accepted auditing standards in India prescribed by the ICAI.

The Company publishes its financial statements in Indian Rupees. Unless the context otherwise requires, all financial data in this Placement Document are derived from our Company’s consolidated financial statements prepared in accordance with Indian GAAP. Indian GAAP differs in certain significant respects from International Financial Reporting Standards (the “IFRS”) and U.S. GAAP. We have not attempted to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Placement Document, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. Each of U.S. GAAP and IFRS differs in significant respects from Indian GAAP. See the section “Risk Factors – Risks Relating To Our Business - Significant differences exist between Indian GAAP used throughout our financial information and other accounting principles, such as IFRS, with which investors may be more familiar” on page 41 of this Placement Document. Accordingly, the degree to which the financial statements prepared in accordance with Indian GAAP included in this Placement Document will provide meaningful information is entirely dependent on the reader’s level of familiarity with the respective accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Placement Document should accordingly be limited.

In this Placement Document, certain monetary thresholds have been subjected to rounding adjustments; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

INDUSTRY AND MARKET DATA

Information included in this Placement Document regarding market position, growth rates and other industry data pertaining to our businesses consists of estimates based on data reports compiled by government bodies, professional organisations and analysts, data from other external sources and knowledge of the markets in which we operate. Unless stated otherwise statistical information included in this Placement Document pertaining to the various sectors in which we operate has been reproduced from trade, industry and government publications and websites. We confirm that such information and data has been accurately reproduced, and that as far as they are aware and are able to ascertain from information published by third parties, no facts have been omitted that would render the reproduced information inaccurate or misleading.

This information is subject to change and cannot be verified with complete certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organisations) to validate market-related analysis and estimates, so we have relied on internally developed estimates.

Neither we nor the Book Running Lead Manager has independently verified this data, nor do we or the Book Running Lead Manager make any representation regarding the accuracy of such data. Similarly, while the Company believe its internal estimates to be reasonable, such estimates have not been verified by any independent sources, and neither we nor the Book Running Lead Manager can assure potential investors as to their accuracy.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Placement Document that are not statements of historical fact constitute ‘forward-looking statements’. These statements express views of the management of the Company and expectations based upon certain assumptions regarding trends in the Indian and international financial markets and regional economies, the political climate in which the Company operates and other factors. Prospective investors can generally identify forward-looking statements by terminology such as ‘aim’, ‘anticipate’, ‘believe’, ‘continue’, ‘can’, ‘could’, ‘estimate’, ‘expect’, ‘intend’, ‘may’, ‘objective’, ‘plan’, ‘potential’, ‘project’, ‘pursue’, ‘shall’, ‘should’, ‘will’, ‘would’, or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of the Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding the Company’s or the Groups’ expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to the Company’s/ group’s business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Placement Document that are not historical facts. These forward-looking statements and any other projections contained in this Placement Document (whether made by the Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about the Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause the actual results, performances and achievements of the Company to be materially different from any of the forward-looking statements include, among others:

- actual growth in demand for our products and services,
- our ability to manage growth effectively;
- volatility in cost of raw materials;
- our ability to compete effectively;
- technological changes
- changes in laws and regulations and governmental policies;
- changes in Indian or international interest rates; and
- our dependence on, and ability to retain, our senior management team.

Additional factors that could cause actual results, performance or achievements of the Company to differ materially include, but are not limited to, those discussed under the sections “Risk Factors”, “Industry Overview”, “Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 31, 72, 80 and 54, respectively of this Placement Document. The Company and the BRLM expressly disclaim any obligation or undertaking to release publically any updates or revision to any forward looking statements contained herein to effect any changes in the Company’s expectations with regard thereto or any changes in events, conditions or circumstances on which any such statements are based.

The forward-looking statements contained in this Placement Document are based on the beliefs of management, as well as the assumptions made by, and information currently available to, management of the Company. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Placement Document or the respective dates indicated in this Placement Document, and the Company undertakes no obligation to update or revise any of them, whether as a result of new information, future events or otherwise. If any of these risks and uncertainties materialise, or if any of the Company’s underlying assumptions prove

to be incorrect, the actual results of operations or financial condition of the Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to the Company are expressly qualified in their entirety by reference to these cautionary statements. The forward-looking statements appear in a number of places throughout this Placement Document and include statements regarding the intentions, beliefs or current expectations of the Company concerning, among other things, the results of operations, financial condition, liquidity, prospects, growth, strategies and dividend policy of the Company and the industry in which we operate. In addition even if the result of operations, financial conditions, liquidity and dividend policy of the Company and the development of the industry in which we operate are consistent with the forward-looking statements contained in this Placement Document, those results or developments may not be indicative of results or developments in subsequent periods.

ENFORCEMENT OF CIVIL LIABILITIES

We are a limited liability company incorporated under the laws of India. All the Directors and the key managerial personnel named herein are residents of India and all or a substantial portion of the assets of the Company and such persons are located in India. As a result, it may be difficult or may not be possible for investors outside India to effect service of process upon the Company or such persons in India, or to enforce judgments obtained against such parties outside India.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Civil Procedure Code (as defined below), on a statutory basis. Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or parties litigating under the same title, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. However, Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a competent court in India. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards.

Each of the United Kingdom, Singapore and Hong Kong has been declared by the Government to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy of India. Further, any judgment or award in a foreign currency would be converted into Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or repatriate outside India any amount recovered, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable and any such amount may be subject to income tax in accordance with applicable laws. We cannot assure that Indian courts and/ or authorities would not take a longer amount of time to adjudicate and conclude similar proceedings in their respective jurisdictions.

EXCHANGE RATE INFORMATION

Fluctuations in the exchange rate between the Rupee and the foreign currencies will affect the foreign currency equivalent of the Rupee price of the Equity Shares traded on the Stock Exchanges. These fluctuations will also affect the conversion into foreign currencies of any cash dividends paid in Rupees on Equity Shares.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and the U.S. dollar (in Rupees per U.S. dollar) The exchange rates are based on the reference rates released by the RBI, which are available on the website of the RBI. No representation is made that any Rupee amounts could have been, or could be, converted into U.S. dollars at any particular rate, the rates stated below, or at all.

On December 10, 2014, the exchange rate (RBI reference rate) was ₹ 61.95 to US\$ 1.00. (Source: www.rbi.org.in)

(₹ per USD 1.00)

	Period End	Average ⁽¹⁾	High ⁽²⁾	Low ⁽³⁾
	Year ended March 31*			
2012	51.16	47.95	54.24	43.95
2013	54.39	54.45	57.22	50.56
2014	60.10	60.50	68.36	53.74
	Quarter ended*			
March 31, 2014	60.10	61.79	62.99	60.10
June 30, 2014	60.09	59.77	61.12	58.43
September 30, 2014	61.61	60.59	60.59	59.72
	Month ended*			
June 30, 2014	60.09	59.73	60.37	59.06
July 31, 2014	60.25	60.06	60.33	59.72
August 31, 2014	60.47	60.90	61.56	60.43
September 30, 2014	61.61	60.86	61.61	60.26
October 31, 2014	61.41	61.34	61.75	61.04
November 30, 2014	61.97	61.70	62.10	61.39

* The price for the period end refers to the price as on the last trading day of the respective financial year, quarterly or monthly periods.

Note:

1. Average of the official rate for each working day of the relevant period.
2. Maximum of the official rate for each working day of the relevant period.
3. Minimum of the official rate for each working day of the relevant period.

No representation is made that the Rupee amounts actually represent such amounts in U.S. dollars or could have been or could be converted into U.S. dollars at the rates indicated, any other rates, or at all.

Source: Reserve Bank of India (www.rbi.org.in)

DEFINITIONS AND ABBREVIATIONS

The Company has prepared this Placement Document using certain definitions and abbreviations which you should consider when reading the information contained herein.

Company Related Terms

Term	Description
“Company”, “Issuer”, “WPIL”, “we”, “us” or “our”	WPIL Limited, a public limited company incorporated under the Companies Act, 1913 and having its registered office at Trinity Plaza, 3rd Floor, 84/1A, Topsia Road (South), Kolkata-700 046 on an unconsolidated basis. It is clarified that references to “us”, “we” or “our” are to our Company, together with its Subsidiaries, Joint Ventures and associate companies on a consolidated basis
Articles/Articles of Association	Articles of association of the Company, as amended from time to time
Auditors	The statutory auditors of the Company, V. Singhi & Associates, Chartered Accountants
Board / Board of Directors	The board of directors of the Company or duly constituted committee thereof
Directors	The directors of the Company
Equity Shares	Equity shares of the Company having face value of ₹ 10 each
Memorandum/Memorandum of Association	Memorandum of association of the Company, as amended from time to time
Promoters	Promoter(s) of the Company i.e. Hindusthan Udyog Limited, Asutosh Enterprises Limited and Mr. Prakash Agarwal and Mr. V.N. Agarwal
Promoter Group	Promoter group of the Company as defined in Regulation 2(1)(zb) of the SEBI Regulations
Registered Office	The registered office of the Company located at Trinity Plaza, 3rd Floor, 84/1A, Topsia Road (South), Kolkata-700 046

Issue Related Terms

Term	Description
Allocated /Allocation	The allocation of Equity Shares following the determination of the Issue Price to QIBs on the basis of the Application Form submitted by them, by the Company in consultation with the Book Running Lead Manager and in compliance with Chapter VIII of the SEBI Regulations
Allot/Allotment/Allotted	Unless the context otherwise requires, the issue and allotment of Equity Shares to be issued pursuant to this Issue
Allottees	QIBs to whom Equity Shares are issued and Allotted pursuant to this Issue
Application Form	The form (including any revisions thereof) pursuant to which a QIB shall submit a Bid for the Equity Shares in this Issue
Bid(s)	Indication of interest of a QIB, including all revisions and modifications thereto, as provided in the Application Form, to subscribe for the Equity Shares
Bid/Issue Closing Date	December 12, 2014 which is the last date up to which the Application Forms shall be accepted
Bid/Issue Opening Date	December 11, 2014 which is the date on which the Company (or the Book Running Lead Manager on behalf of the Company) shall commence the acceptance of duly completed Application Forms for this Issue
Bid/Issue Period	Period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids including any revision thereof
Bidder	Any prospective investor, a QIB, who makes a Bid pursuant to the terms of the Preliminary Placement Document and the Application Form
Book Running Lead Manager	Book running lead manager to this Issue, namely, Edelweiss Financial Services Limited
CAN/Confirmation of Allocation Note	Note or advice or intimation to the QIBs confirming the Allocation of Equity Shares to such QIBs after determination of the Issue Price and requesting payment for the entire applicable Issue Price for all Equity Shares Allocated to such QIBs
Closing Date	The date on which Allotment of Equity Shares pursuant to this Issue shall be made, i.e. on or about December 18, 2014
Cut-off Price	The Issue Price of the Equity Shares to be issued pursuant to this Issue which shall be finalised by the Company in consultation with the Book Running Lead Manager
Designated Date	The date of credit of the Equity Shares to the QIB’s demat account, as applicable to the respective QIBs
Escrow Account	The non-interest bearing, no-lien, current bank account entitled “WPIL Limited – QIP

Term	Description
	Escrow Account” with regard to any money received towards the subscription of the Equity Shares, opened with the Escrow Bank, subject to the terms of the Escrow Agreement
Escrow Agreement	Agreement dated December 10, 2014, entered into amongst the Company, the Escrow Bank and the Book Running Lead Manager for collection of the Bid Amounts and for remitting refunds, if any, of the amounts collected, to the Bidders
Escrow Bank	IDBI Bank Limited
Floor Price	The floor price of ₹ 559.40 which has been calculated in accordance with Chapter VIII of the SEBI Regulations. In terms of the SEBI Regulations, the Issue Price cannot be lower than the Floor Price.
Issue	The offer, issue and Allotment of 1,800,000 Equity Shares of face value of ₹ 10 each at a price of ₹ 559.40, including a premium of ₹ 549.40 per Equity Share aggregating ₹ 1,006.92 million, to QIBs, pursuant to Chapter VIII of the SEBI Regulations and the provisions of the Companies Act, 2013
Issue Price	₹ 559.40 per Equity Share
Issue Size	The Issue of 1,800,000 Equity Shares aggregating up to ₹ 1,006.92 million
Listing Agreement(s)	The agreement(s) entered into between the Company and the Stock Exchanges in relation to listing of the Equity Shares to be issued pursuant to this Issue on the Stock Exchanges
Mutual Fund	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended
Mutual Fund Portion	10% of the Equity Shares proposed to be Allotted in this Issue, which is available for Allocation to Mutual Funds
Net Proceeds	The total proceeds of this Issue after deduction of Issue expenses including fees, commission and other expenses.
Pay-in Date	The last date specified in the CAN for payment of application monies by the successful Bidders
Placement Agreement	Agreement dated December 10, 2014 entered into amongst the Company and the Book Running Lead Manager
Placement Document	This placement document dated December 12, 2014 issued by the Company in accordance with the provisions of Chapter VIII of the SEBI Regulations and Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014
Preliminary Placement Document	The preliminary placement document dated December 11, 2014 issued by the Company in accordance with Chapter VIII of the SEBI Regulations and Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014
QIBs or Qualified Institutional Buyers	Qualified institutional buyer as defined under Regulation 2(1)(zd) of the SEBI Regulations and not excluded pursuant to Regulation 86 of the SEBI Regulations
QIP	Qualified institutions placement under Chapter VIII of the SEBI Regulations
Relevant Date	December 11, 2014 which is the date of the meeting of the Board, or any committee duly authorised by the Board, deciding to open this Issue

Conventional and General Terms/ Abbreviations

Term/Abbreviation	Description
AGM	Annual General Meeting
AIF(s)	Alternative investment fund, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
ASBA	Application supported by blocked amount
AY	Assessment Year
BSE	BSE Limited
Category III Foreign Portfolio Investor	An FPI registered as a category III foreign portfolio investor under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Civil Procedure Code	The Code of Civil Procedure, 1908
Companies Act	The Companies Act, 2013 or the Companies Act, 1956, as applicable
Companies Act, 1956	The Companies Act, 1956 and the rules made thereunder (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections)
Companies Act, 2013	The Companies Act, 2013 and the rules made thereunder, to the extent in force pursuant to notification of the Notified Sections

Term/Abbreviation	Description
Competition Act	The Competition Act, 2002, as amended
CSE	The Calcutta Stock Exchange Limited
Delisting Regulations	Securities Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, as amended from time to time
Depositories Act	The Depositories Act, 1996, as amended
Depository	A body corporate registered under the SEBI (Depositories and Participant) Regulations, 1996
Depository Participant	A depository participant as defined under the Depositories Act
DIPP	The Indian Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India
DP ID	Depository Participant's Identity
DP/Depository Participant	A depository participant as defined under the Depositories Act, 1996
EBITDA	Earnings before interest, tax, depreciation and amortisation
ECS	Electronic Clearing Service
EGM	Extraordinary General Meeting
EPS	Earnings Per Share, i.e., profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares during that fiscal year
FCNR(B)	Foreign currency non-resident (bank)
FDI	Foreign direct investment
FDI Policy	Consolidated Foreign Direct Investment Policy notified under Circular No. 1 of 2014, effective from April 17, 2014, as amended from time to time
FEMA	The Foreign Exchange Management Act, 1999 together with rules and regulations thereunder
FEMA 20	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended
FIIs	Foreign institutional investors as defined under the SEBI FPI Regulations
Financial Year or Fiscal Year	Period of 12 months ended 31 March of that particular year, unless otherwise stated
FIPB	Foreign Investment Promotion Board of the Ministry of Finance, Government of India
Form PAS-4	Form PAS-4 prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014
FPI	Foreign portfolio investors as defined under the SEBI FPI Regulations and includes person who has been registered under the SEBI FPI Regulations. Any foreign institutional investor or qualified foreign investor who holds a valid certificate of registration is deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 as well as a QFI till January 6, 2015 or till it obtains a certificate of registration as an FPI, whichever is earlier
FVCI	Foreign venture capital investors as defined and registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended
GAAP	Generally accepted accounting principles of India
GAAR	General Anti-Avoidance Rules
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
GoI/Government	Government of India, central or state, as applicable
GST	Goods and services tax; a proposed reform to Indian tax laws relating to indirect taxes on goods and services
HNIs	High net worth individuals
HUF	Hindu undivided family
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards of the International Accounting Standards Board
IND-AS	Indian accounting standards converged with IFRS, which has been proposed for implementation by the ICAI
India	The Republic of India
Indian GAAP	Generally Accepted Accounting Principles followed in India
ISO	International Standards Organisation
IT	Information Technology
IT Act	The Income Tax Act, 1961, as amended
Listing Agreement	Listing Agreement executed between the Company and the Stock Exchanges
MAT	Minimum alternate tax
MCA	The Ministry of Corporate Affairs, Government of India
MoU	Memorandum of understanding

Term/Abbreviation	Description
Mn/Million	Million
NEAT	National Exchange for Automated Trading
NEFT	National electronic fund transfer
NGOs	Non-government organisations
Notified Sections	Sections of the Companies Act, 2013 that have been notified by the Government of India
NRE	Non-resident (external)
NRI	Non-resident Indian
NRO	Non-resident Ordinary
NSDL	National Securities Depositories Limited
NSE	The National Stock Exchange of India Limited
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PMLA	The Prevention of Money Laundering Act, 2002
Prudential Norms	Prudential norms on income recognition, asset classification and provisioning pertaining to advances issued by the RBI on July 1, 2013
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended
Regulation S	Regulation S under the U.S. Securities Act
RoC	Registrar of Companies, Kolkata, West Bengal
Rs./Rupees/INR/₹	The official currency of India
SCR (SECC) Rules	Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012, notified by the SEBI
SCRA	Securities Contracts (Regulation) Act 1956, as amended
SCRR	Securities Contracts (Regulation) Rules 1957, as amended
SEBI	The Securities Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended
SEBI FII Regulations	The Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, amended
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended
SEBI Regulations	The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended
SEC	United States Securities and Exchange Commission
SENSEX	Index of 30 stocks traded on BSE representing a sample of large and liquid listed companies
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended
Stock Exchanges	BSE and CSE
STT	Securities Transaction Tax
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended
U.K.	United Kingdom
U.S. \$/U.S. dollar	United States Dollar, the legal currency of the United States of America
U.S. GAAP	Generally accepted accounting principles in the United States of America
U.S. Securities Act	The U.S. Securities Act of 1933, as amended
USA/U.S./United States	The United States of America
VCF	A Venture Capital Fund as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 or the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as the case may be

Technical and Industry Terms

Term/Abbreviation	Full Form/Description
bn	Billion
CP	Centrifugal Pumps
CW	Circulating Water
e	Estimate

Term/Abbreviation	Full Form/Description
FICCI	Federation of Indian Chambers of Commerce and Industry
FYP	Five Year Plan
LPA	Long Period Average
mm	Millimeter
MT	Metric Ton
PD	Positive Displacement
PE	Provisional Estimate
RE	Revised Estimate
TN	Tonne

**DISCLOSURE REQUIREMENTS UNDER FORM PAS-4 PRESCRIBED UNDER THE COMPANIES ACT,
2013**

The table below sets out the disclosure requirements as provided in PAS-4 and the relevant pages in this Placement Document where these disclosures, to the extent applicable, have been provided:

Sr. No.	Disclosure Requirements	Relevant page of this Placement Document
1.	GENERAL INFORMATION	
a.	Name, address, website and other contact details of the company indicating both registered office and corporate office.	150
b.	Date of incorporation of the company.	Cover page
c.	Business carried on by the company and its subsidiaries with the details of branches or units, if any.	79
d.	Brief particulars of the management of the company.	94
e.	Names, addresses, DIN and occupations of the directors.	94
f.	Management's perception of risk factors.	31
g.	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of:	
(i)	Statutory dues;	141
(ii)	Debentures and interest thereon;	141
(iii)	Deposits and interest thereon; and	141
(iv)	Loan from any bank or financial institution and interest thereon.	141
h.	Names, designation, address and phone number, email ID of the nodal/compliance officer of the company, if any, for the private placement offer process.	150
2.	PARTICULARS OF THE OFFER	
a.	Date of passing of board resolution.	27
b.	Date of passing of resolution in the general meeting, authorising the offer of securities.	27
c.	Kinds of securities offered (i.e. whether share or debenture) and class of security.	27
d.	Price at which the security is being offered including the premium, if any, along with justification of the price.	27
e.	Name and address of the valuer who performed valuation of the security offered.	Not applicable
f.	Amount which the company intends to raise by way of securities.	27
g.	Terms of raising of securities:	
(i)	Duration, if applicable;	Not applicable
(ii)	Rate of dividend;	52
(iii)	Rate of interest;	Not applicable
(iv)	Mode of payment; and	Not applicable
(v)	Repayment.	Not applicable
h.	Proposed time schedule for which the offer letter is valid.	15
i.	Purposes and objects of the offer.	49
j.	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects.	49
k.	Principle terms of assets charged as security, if applicable.	Not applicable
3.	DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC	
a.	Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons.	98 and 102
b.	Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the circulation of the offer letter and any direction	143

Sr. No.	Disclosure Requirements	Relevant page of this Placement Document
	issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed.	
c.	Remuneration of directors (during the current year and last three financial years).	99-102
d.	Related party transactions entered during the last three financial years immediately preceding the year of circulation of offer letter including with regard to loans made or, guarantees given or securities provided.	103
e.	Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of offer letter and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark.	Nil
f.	Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last three years immediately preceding the year of circulation of offer letter in the case of company and all of its subsidiaries. Also if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the offer letter and if so, section-wise details thereof for the company and all of its subsidiaries.	141
g.	Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company.	143
4.	FINANCIAL POSITION OF THE COMPANY	
a.	The capital structure of the company in the following manner in a tabular form:	
(i)(a)	The authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value);	51
(b)	Size of the present offer; and	51
(c)	Paid up capital:	51
(A)	After the offer; and	51
(B)	After conversion of convertible instruments (if applicable);	Not applicable
(d)	Share premium account (before and after the offer).	51
(ii)	The details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration.	51
	Provided that the issuer company shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of the offer letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case.	51
b.	Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of circulation of offer letter.	F-1 to F-83
c.	Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid).	52
d.	A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of circulation of offer letter.	30
e.	Audited Cash Flow Statement for the three years immediately preceding the date of circulation of offer letter.	F-1 to F-83
f.	Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company.	58
5.	A DECLARATION BY THE DIRECTORS THAT	

Sr. No.	Disclosure Requirements	Relevant page of this Placement Document
a.	The company has complied with the provisions of the Act and the rules made thereunder.	149
b.	The compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government.	
c.	The monies received under the offer shall be used only for the purposes and objects indicated in the Offer letter.	

SUMMARY OF BUSINESS

Overview

We are one of the leading Indian pump manufacturers and provider of flow control solutions and related services to the irrigation, municipality and water utility sector, thermal power generation, infrastructure sector and industrial sector in India and overseas. We have participated in a number of large-scale infrastructure projects in India, including providing pumps and ancillary equipment to various state run thermal power projects in India.

Since the incorporation in the year 1952, our Company has developed into a vertically integrated provider of a broad range of flow control solutions to the irrigation, municipality and water utility sector, thermal power generation and infrastructure sectors in India supported by our R&D base. We have grown through organic and acquisitive growth. At present, our strategy is focused on organic growth based on our existing assets, as well as selective, value-creating acquisitions. By virtue of organic growth and the consolidation of a number of enterprises into our Company, most of which have been key providers of pumps and flow control solutions, we have an operation base in India and certain other countries, including South Africa, Australia, United Kingdom, and Thailand. This installed base provides a natural market for our maintenance services and aftermarket support, as well as for replacement equipment and spare parts for upgrade and modernisation.

We provide pumps and integrated flow control solutions through three business verticals:

- *Engineered pumps:* The engineered pumps division designs, engineers, manufactures, delivers and installs engineered pumps and related products for use primarily in the irrigation, municipality and water utility sector and thermal power generation and infrastructure and other industrial sectors. In the engineered pump division, we manufacture range of vertical pumps like vertical turbine, vertical mixed flow and vertical axial flow (propeller) pumps which offer specialized water handling solutions to the conventional power generation and the industrial sector. The engineered pumps unit's principal products include pumps built to standard specifications, customised pumps and pump equipment and integrated pump systems. We provide specialised water handling solutions in the irrigation, municipality and water utility sector, thermal power generation and infrastructure and other industrial sectors for large pumps in the engineered pumps division. We manufacture and supply pumps under the engineered pump division through our manufacturing facilities located at Kolkata. In the engineered pump division, we have a testing facility to test pumps upto capacity of 40,000 m³/hour. The engineered pumps division also has specialised fabrication areas for stainless steel welding. As our Company has developed on a consolidated basis, it has increasingly focused on products and services in the pump sector, particularly on bespoke, highly engineered pumping equipment and integrated pump systems built on a turn-key basis.
- *Conventional pump division:* This division supplies centrifugal pumps which are largely utilised in irrigation and water utility and other industrial sectors. The horizontal pumps range covers large engineered horizontal split case and volute pumps to the smaller end suction pumps. We provide comprehensive range of centrifugal pumps in irrigation and water utility sectors for large pumps in the conventional pump division. In the conventional pump division, we have fully automatic machining centres for large casings/ impellers and dynamic balancing setups for rotating assemblies.
- *EPC:* The EPC division designs, engineers, project manages and constructs water projects, including on a turnkey basis, for customers in the irrigation, municipality and water utility sector, thermal power generation and infrastructure and other industrial sectors. We offer concept to commissioning solutions for water handling projects covering the complete domain of hydraulic/civil/mechanical/electrical and instrumentation engineering. We have completed several assignments of providing solutions under the EPC division to the irrigation, municipality and water utility sector, thermal power generation and infrastructure sectors.

Our revenue for FY 2014, FY 2013 and FY 2012 amounted to ₹ 5,205.33 million, ₹ 5,183.66 million and ₹ 3,743.53 million, respectively, and for the six months period ended September 30, 2014 on a standalone basis, amounted to ₹ 1,190.10 million.

Competitive Strengths

We believe that we benefit from the following competitive strengths:

Resilient financial growth and strong Order Book

Over the past few years, we have enjoyed resilient revenue and margin growth. Our revenue on a consolidated basis increased from ₹ 3,733.39 million as on March 31, 2012 to ₹ 5,128.29 million as on March 31, 2014. As of September 30, 2014, our order book is approximately ₹ 6,297.11 million which consists of orders amounting to ₹ 1,891.35 million from engineered pumps division, orders amounting to ₹ 424.29 million from conventional pumps division and orders amounting to ₹ 3,981.47 million from supplying of solutions in EPC division.

Strong management team with established track record of growing the business organically and through acquisitions.

Our management team has been leading our Company for a while and has an established track record of growing the business organically as well as identifying, acquiring and integrating value-enhancing businesses and assets successfully into our existing business. Since 2004, our Company's management has executed its strategy of developing from a manufacturer and supplier of pumps to a fully-fledged end to end solution provider offering water flowing solutions to the customers that comprise designing, engineering, managing and constructing water projects, including on a turn-key basis, for customers in the irrigation, municipality and water utility sector, thermal power generation, infrastructure and other industrial sectors. With the support of our management, we have made certain acquisitions in past in India and abroad and we have benefitted from such acquisitions by venturing into new geographies and supply of new products.

Operational and product quality excellence

We maintain strong focus on the quality of our products. Our registered office and manufacturing facilities located in Kolkata are ISO 9001:2008 standard for design, development, manufacture, supply, installation, commissioning and service of vertical pumps, horizontal pumps and spares.

Our design team uses recent versions of professional design software, such as internationally acclaimed computational fluid dynamics software ANSYS CFX.

Advanced R&D capabilities

We have an in-house R&D facility located at Panihati, Kolkata, recognised by the Ministry of Science and Technology, Government of India, which is responsible for conducting research and designing new products and specialised applications for existing pump equipments and which include a pump testing facility, analyzing the test results and taking corrective action till the design is validated. Our R&D facility comprises three wings (i) Hydraulic wing: For hydraulic development of new pump models based on pump specific speed and field of application; (ii) Mechanical wing: For development of new mechanical and structural designs of pump components; and (iii) Special analysis wing: For analysis and development of new pumping systems including suction intake and pump discharge piping system along with flow pattern analysis of the same by applying computational fluid dynamics techniques. Special analysis wing is also responsible for conducting Sump Flow Pattern Analysis, Flow Analysis through pump hydraulic passages, development of new design tools for carrying out pump design etc. The Ministry of Science and Technology, Government of India has accorded recognition to the R&D laboratory of the Company located at Panihati, Kolkata valid upto March 31, 2016.

Significant market positions in providing water flowing solutions in irrigation, municipality and water utility sector, thermal power generation and infrastructure and other industrial sectors

We are one of the leading providers of pumps to the irrigation, municipality and water utility sector, thermal power generation and infrastructure and other industrial sectors of the Indian pump market, and have a growing presence in the Indian EPC market.

- *Growing presence in EPC services.* –We have been supplying pumps for turnkey projects since 2004 and our presence has slowly and gradually increased in the EPC division. We have focused on strengthening our infrastructure in the EPC division by strengthening of engineering team, project execution team and marketing

team contributing to growth in providing EPC services. Due to our continued focus in supplying of pumps in the EPC division, we have leveraged on the shifting of demand for manufactured pumps to supply of concept to commissioning of solutions for water handling projects which includes designing, engineering, managing and constructing water projects on turnkey basis.

- *Significant barriers to entry.* – We benefit from high entry barriers in the flow control solutions market. The incumbent players, including our Company, have established strong relationships with their customers that have been forged over the long term period, creating a significant barrier to entry for any new entrant seeking to break into the sector in which we operate in India. In addition, we have experience, proven track record and technical expertise in manufacturing and supply of pumps. Any new entrant in this sector is required to establish performance of solutions provided to procure further orders in addition to having expertise in providing flow control solutions and related services. We believe that our experience, track record and execution capabilities provide us a competitive advantage in our business, as we are in a position to meet the prequalification requirements necessary to enter the competitive bidding process for potential EPC projects. We also believe that our experience enables us in identifying and mitigating certain development and operational risks, which we believe is a key competitive advantage for us.

Diversified and well-established customer base including large cap state owned companies in a range of uncorrelated sectors such as irrigation, municipality and water utility sector, thermal power generation and infrastructure and other industrial sectors

- *Exposure to wide range of uncorrelated sectors of the Indian economy.* Our Company's products and services are used in a wide range of sectors, including irrigation, municipality and water utility sector, thermal power generation and infrastructure and other industrial sectors. As a result of this diversified business model, we are less affected by a downturn in a particular sector.
- *Well-established customer base.* Our Company provides pumps and related services, as well as EPC services, to a number of state owned power companies, state electricity boards, state irrigation departments, city municipalities and development authorities and industries both in private and public sectors. Some of our customer relationships have existed for longer tenure.
- *Broad sales platform.* As on date, the Company has an extensive sales team of approximately 53 people. The sales team aims to establish contacts at several levels of a customer's business, from senior management to heads of production and procurement and chief engineers. This enables us to develop a better understanding of its customers' needs and to target cross-sales and integrated solutions at key decision-makers. Our sales efforts are supported by our R&D and engineering teams.
- *Integrated solutions.* Our wide range of products and services and R&D capabilities enable us to offer integrated solutions incorporating the design, engineering, procurement, manufacture, testing, delivery, installation and commissioning of all equipment required for the execution of a project. We believe that many of our customers prefer to work with integrated solutions providers since working with a single project partner tends to reduce the time required for engineering, procurement and system engineering, simplifying administration and project management and reducing the risk of compatibility issues and assuring the desired performance, which results in lower overall project costs.

Strategies

Pursue selective, value-enhancing acquisitions

We intend to make selective, value-enhancing acquisitions, targeting businesses that offer complementary products, provide the opportunity to expand into high growth markets and improve our core competencies. In furtherance of this strategy, we shall consider acquisition opportunities in overseas geographies and within India, which would enable us to increase our presence internationally as well as in Indian markets. Our acquisition strategy is also aimed at identifying attractive acquisition opportunities in high-growth sectors in which our market presence is currently limited, including pumps for the oil and gas sector. We believe that our experienced management team and financial position will allow us to continue to identify and acquire attractive assets that complement and further diversify our existing product and services portfolio. We intend to target acquisitions that will offer significant cost and revenue synergies.

Leverage and strengthen our market position to benefit from growth factors in our current core markets, and to

expand and diversify into new markets.

We intend to further penetrate our key markets and enter new markets where we do not have a significant presence (for instance, the Indian oil and gas related pump equipment market) through the diversification and enhancement of our product portfolio, including the development and production of next-generation pumps and enhanced aftermarket sales and support. We also plan to increase the share of customised pumps, which offer higher margins than standard pumps, in our product portfolio. To further capture market share, we intend to increase cross-selling our products and services to large oil and gas and other industry customers, with many of whom we already have established relationships. We also plan to increase our share of products for export, principally to geographies where we have established operations.

Focus on integrated solutions and other highly-engineered products.

Our broad range of products and services enables us to offer integrated solutions to our customers, comprising the design, manufacture, installation and servicing of complex, highly engineered flow control systems. We anticipate that many of our largest customers, particularly in the irrigation, municipality and water utility sector, thermal power generation and infrastructure and industrial sectors, will continue to seek to work with manufacturers that can offer integrated solutions. In addition, the provision of integrated solutions and other highly engineered products tends to offer higher margins than stand-alone products and services, and often require extensive interaction with customers and involve customised products, providing an opportunity to strengthen customer relationships and a strong base for aftermarket sales. We therefore plan to focus on growing our integrated solutions offerings.

Enhance R&D capabilities.

We intend to expand our R&D capabilities leveraging the experience and knowledge base of our existing teams. In addition, we intend to apply additional resources to monitor the product offerings of the markets in which we operate and to ensure that our R&D division is in a position to develop upgrades and new solutions. We shall also seek to improve our pump technology by investing in continued research in order to produce more energy efficient pumps. Finally, we intend for our R&D teams to work more closely with customers in order to develop technical policies and standards that will enable our EPC customers to improve the efficiency of their operations.

SUMMARY OF THE ISSUE

The following is a general summary of this Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information appearing elsewhere in this Placement Document, including under the sections “Risk Factors”, “Use of Proceeds”, “Placement”, “Issue Procedure” and “Description of the Equity Shares” on page 31, 49, 117, 106 and 128, respectively of this Placement Document.

Issuer	WPIL Limited
Issue Size	Issue of 1,800,000 Equity Shares aggregating up to ₹ 1,006.92 million
Issue Price	₹ 559.40 per Equity Share
Date of Board Resolution	September 12, 2014
Date of Shareholders’ Resolution	October 22, 2014
Floor Price	The floor price of ₹ 559.40 which has been calculated in accordance with Chapter VIII of the SEBI Regulations. In terms of the SEBI Regulations, the Issue Price cannot be lower than the Floor Price.
Eligible Investors	QIBs as defined in regulation 2(1)(zd) of the SEBI Regulations and not excluded pursuant to Regulation 86 of the SEBI Regulations. See the section “Issue Procedure – Qualified Institutional Buyers” on page 109 of this Placement Document.
Equity Shares issued and outstanding immediately prior to this Issue	7,967,080 Equity Shares.
Equity Shares issued and outstanding immediately after this Issue	9,767,080 Equity Shares.
Lock-up	The Promoters and Promoter Group jointly and severally, agrees that, without the prior written consent of the Book Running Lead Manager, he or it will not, and will not announce any intention to enter into any transaction whether any such transaction which is to be settled by delivery of Equity Shares, or such other securities, in cash or otherwise, during the period commencing on the date hereof and ending 180 days after the date of Allotment of the Equity Shares pursuant to the QIP (the “Lock-up Period”), directly or indirectly, issue, offer, lend, sell, contract to sell, pledge, encumber, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, make any short sale, lend or otherwise transfer or dispose of directly or indirectly, any Equity Shares, including but not limited to any options or warrants to purchase any Equity Shares, or any securities convertible into or exercisable or exchangeable for, or that represent the right to receive, Equity Shares or enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of the Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares or deposit any Equity Shares, or any securities convertible into or exercisable or exchangeable for the Equity Shares or which carry the rights to subscribe for or purchase Equity Shares, in any depository receipt facility or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of a sale or deposit of Equity Shares in any depository receipt facility. However, the foregoing restrictions shall not be applicable if any of the actions mentioned above are required to be undertaken pursuant to any employee stock option scheme or inter-se transfers between promoter group or any change in applicable law, or a direction of a court of law or the Reserve Bank of India post the date of execution of the Placement Agreement. In addition, each the promoter and promoter group, jointly and severally, agrees that, without the prior written consent of the BRLM, he or it will not, during the Lock-up Period, make any demand for or exercise any right with respect to, the

	registration or sale or deposition of any Equity Shares or any other securities of the Company substantially similar to the Equity Shares, including, but not limited to options, warrants or other securities that are convertible into, exercisable or exchangeable for, or that represent the right to receive Equity Shares or any such substantially similar securities, whether now owned or hereinafter acquired The Company has undertaken that it will not during the period commencing on the date hereof and ending 180 days from the date of Allotment, without the prior written consent of the Book Running Lead Manager, directly or indirectly: (a) offer, sell, pledge, issue, contract to issue, grant any option, right or warrant for the issuance and allotment, or otherwise dispose of or transfer, or establish or increase a put equivalent position or liquidate or decrease a call equivalent position with respect to, any Equity Shares or securities convertible into or exchangeable or exercisable for Equity Shares (including any warrants or other rights to subscribe for any Equity Shares) or publicly announce an intention with respect to any of the foregoing, (b) enter into a transaction which would have the same effect, or enter into any swap, hedge or other arrangement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of any Equity Shares, whether any such aforementioned transaction is to be settled by allotment of any Equity Shares, in cash or otherwise or any securities convertible into or exercisable or exchangeable for Equity Shares, or (c) deposit Equity Shares with any other depositary in connection with a depositary receipt facility or (d) publicly disclose the intention to make any such offer, issuance and allotment or disposition, or to enter into any such transaction falling within (a) to (c) above (including swap, hedge or other arrangement) having an economic effect similar to that of an issue or offer or deposit of Equity Shares in any depositary receipt facility or publicly announce any intention to enter into any transaction falling within (a) to (c) above.
Transferability Restrictions	The Equity Shares to be issued pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges. See the section “Transfer Restrictions” on page 124 of this Placement Document.
Use of Proceeds	The gross proceeds from this Issue will be ₹ 1,006.92 million. The net proceeds from this Issue, after deducting fees, commissions and expenses of this Issue, will be approximately ₹ 977.50 million. See the section “Use of Proceeds” on page 49 of this Placement Document for information regarding the use of net proceeds from this Issue.
Risk Factors	See the section “Risk Factors” on page 31 of this Placement Document for a discussion of risks that prospective investors should consider before investing in the Equity Shares.
Pay-In Date	Last date specified in the CAN sent to the QIBs for payment of application money for Equity Shares issued pursuant to the Issue.
Listing	The Company has made applications to the BSE and CSE, and in-principle approvals in terms of clause 24(a) of the Listing Agreement have been obtained from BSE (dated December 11, 2014) and CSE (dated December 12, 2014). The application for final approval for listing and admission of the Equity Shares and for trading on the respective Stock Exchanges, will be made only after Allotment of the Equity Shares pursuant to the Issue.
Closing	The Allotment of the Equity Shares, expected to be made on or about December 18, 2014.
Ranking	The Equity Shares to be issued pursuant to this Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association and shall rank <i>pari passu</i> in all respects with the existing Equity Shares of the Company, including rights in respect of dividends.

	The shareholders of the Company (who hold Equity Shares as on the record date) will be entitled to participate in dividends and other corporate benefits, if any, declared by the Company after the Closing Date, in compliance with the Companies Act, the Listing Agreement and other applicable laws and regulations. Shareholders may attend and vote in shareholders' meetings in accordance with the provisions of the Companies Act. See the sections "Dividend Policy" and "Description of the Equity Shares" on page 52 and 128, respectively of this Placement Document.	
Security Codes for the Equity Shares	ISIN	INE765D01014
	BSE Scrip Code	505872
	CSE Scrip Code	10033117

SUMMARY FINANCIAL INFORMATION

The summary financial information provided below as at and for the Fiscal Years ended March 31, 2014, March 31, 2013 and March 31, 2012, have been derived from our Company's audited consolidated financial statements for the respective years.

CONSOLIDATED BALANCE SHEET
AS AT 31ST MARCH, 2014

	Note No.	31st March, 2014		31st March, 2013	
		Rs.	Rs.	Rs.	Rs.
I. EQUITY AND LIABILITIES					
1) Shareholders' Funds					
a) Share Capital	2	7,96,70,800		7,96,70,800	
b) Reserves and Surplus	3	128,26,89,088	136,23,59,889	102,54,89,091	110,51,59,891
2) Minority Interest			34,63,96,538		26,68,68,121
3) Non - Current Liabilities					
a) Long-term Borrowings	4	79,34,76,745		98,60,21,274	
b) Deferred Tax Liabilities (net)	5	2,92,10,598		1,28,78,973	
c) Long-term Provisions	6	92,25,122	83,19,12,465	73,50,968	100,62,51,215
4) Current Liabilities					
a) Short-term Borrowings	7	79,66,96,215		62,85,14,247	
b) Trade Payables	8	103,35,52,014		89,35,20,857	
c) Other Current Liabilities	9	78,40,44,572		88,04,37,827	
d) Short-term Provisions	10	4,91,64,411	266,34,57,212	4,45,75,926	244,70,48,857
Total			520,41,26,104		482,53,28,084
II. ASSETS					
1) Non - Current Assets					
a) Fixed Assets					
i) Tangible Assets	11	112,73,57,649		94,40,97,240	
ii) Intangible Assets		40,37,32,537		42,30,14,453	
iii) Capital Work-in-Progress		43,35,303		1,70,33,598	
		153,54,25,489		138,41,45,291	
b) Non - Current Investments	12	16,000		16,000	
c) Long - term Loans and Advances	13	5,77,56,900	159,31,98,390	5,39,62,122	143,81,23,413
2) Current Assets					
a) Inventories	14	75,82,10,509		73,79,55,779	
b) Trade Receivables	15	236,62,25,645		221,38,98,226	
c) Cash and Cash Equivalents	16	18,34,71,881		12,48,53,321	
d) Short - term Loans and Advances	17	25,50,62,811		21,30,38,964	
e) Other Current Assets	18	4,79,56,869	361,09,27,715	9,74,58,381	338,72,04,671
Total			520,41,26,104		482,53,28,084

Significant Accounting Policies

1

The accompanying Notes form an integral part of the Financial Statements

	As per our Report of even date		
	For V. Singhi & Associates		
	Chartered Accountants		
	Registration no. 311017E	PRAKASH AGARWAL	Managing Director
	(V. K. SINGHI)	K.K. GANERIWALA	Executive Director
Place : Kolkata	Partner	U. CHAKRAVARTY	General Manager (Finance)
Date : 21st May 2014	Membership no. 50051		& Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31ST MARCH, 2014

	Note No.	Year ended 31st March, 2014 Rs.		Year ended 31st March, 2013 Rs.	
I. Revenue from Operations	19	520,53,33,131		518,36,57,497	
Less : Excise Duty		<u>9,48,16,767</u>	511,05,16,364	<u>8,80,14,906</u>	509,56,42,591
II. Other Income	20		1,77,76,266		24,34,05,476
III. Total Revenue (I + II)			512,82,92,630		533,90,48,067
IV. Expenses					
Cost of Raw Materials and Components consumed	21		272,68,00,228		296,66,35,267
Changes in Inventories of Finished Goods and Work in Progress :	22		(14,56,75,185)		(12,48,64,519)
Employee Benefits Expenses	23		81,81,64,224		77,62,83,759
Finance Cost	24		23,01,24,321		19,38,36,429
Depreciation	11	6,76,99,000		6,75,97,185	
Less: Transferred from Revaluation Reserve		2,19,974	6,74,79,026	2,20,268	6,73,76,917
Other Expenses	25		89,52,21,953		77,87,55,973
			459,21,14,567		465,80,23,826
V. Profit before tax (III - IV)			53,61,78,063		68,10,24,241
VI. Tax expense					
– Current Tax		11,93,01,219		11,39,09,638	
– Tax adjustment of previous year		13,56,937		75,96,902	
		12,06,58,156		12,15,06,540	
– Deferred Tax		1,73,21,759		74,37,885	
		13,79,79,915		12,89,44,425	
– Tax Expense of Joint Venture		1,13,93,787	14,93,73,702	60,00,000	13,49,44,425
Profit after tax before share of Minority			38,68,04,361		54,60,79,816
Interests for the year (V - VI)			8,46,52,893		13,65,05,022
Less: Minority Interests			30,21,51,468		40,95,74,794
Profit for the year			30,21,51,468		40,95,74,794
Earnings per share (Face value of Rs 10/- each)					
(a) Basic			37.92		51.41
(a) Diluted			37.92		51.41

Significant Accounting Policies

1

The accompanying Notes form an integral part of the Financial Statements

As per our Report of even date

For V. Singhi & Associates

Chartered Accountants

Registration no. 311017E

(V. K. SINGHI)

Partner

Membership no. 50051

PRAKASH AGARWAL

K.K. GANERIWALA

U. CHAKRAVARTY

Managing Director

Executive Director

General Manager (Finance)
& Company Secretary

Place : Kolkata

Date : 21st May 2014

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH, 2014

	Year ended 31st March, 2014		Year ended 31st March, 2013	
	Rs.	Rs.	Rs.	Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit before Tax and Extraordinary Items		53,61,78,063		68,10,24,241
Adjustment for:				
(Profit)/Loss on sale of Fixed Assets	(71,403)		20,75,808	
Impact of Foreign Exchange Translation (Net)	(8,52,97,066)		(90,18,818)	
Depreciation	6,74,79,026		6,64,78,479	
Interest Income	(77,86,613)		(81,96,039)	
Liabilities no longer required written back	(2,75,620)		—	
Bad Debts/Advances/Claims written off	1,31,34,665		9,24,057	
Interest Charge	17,56,07,554	16,27,90,543	14,00,79,297	19,23,42,784
Operating Profit before Working Capital changes		69,89,68,606		87,33,67,025
Adjustment for:				
Trade and Other Receivables	(22,12,75,108)		(44,88,01,272)	
Inventories	(2,02,54,730)		(18,28,71,538)	
Trade Payables	(1,13,61,636)	(25,28,91,474)	34,48,17,233	(28,68,55,577)
Cash generated from operations		44,60,77,132		58,65,11,448
Tax Paid		(7,07,24,658)		(18,13,94,078)
Net Cash from Operating Activities		37,53,52,474		40,51,17,370
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Fixed Assets (Net of Capital WIP)	(15,04,17,733)		(46,61,30,290)	
Sale of Fixed Assets	2,16,91,701		56,68,847	
Purchase of Investment	—		(24,50,06,125)	
Sale of Investments	—		1,76,42,760	
Loan Given	—		(31,73,82,270)	
Interest received	64,14,360		50,56,574	
Net Cash from/(used) in Investing Activities		(12,23,11,672)		(100,01,50,504)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	Year ended 31st March, 2014		Year ended 31st March, 2013	
	Rs.	Rs.	Rs.	Rs.
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds from Long Term Borrowings	12,06,66,482		34,34,84,080	
Repayments of Long Term Borrowings	(25,04,33,667)		(17,32,907)	
Proceeds from Short Term Borrowings	16,81,81,968		88,39,78,669	
Repayments of Short Term Borrowings	—		(37,46,09,035)	
Minority Contribution	(51,24,476)		—	
Joint Venture Share	(3,09,74,022)		—	
Dividend paid	(1,57,31,380)		(7,79,48,942)	
Dividend Tax Paid	(53,99,593)		(1,26,78,356)	
Interest paid	(17,56,07,554)		(13,91,62,463)	
Net Cash from/(used) in Financing Activities	(19,44,22,242)		62,13,31,046	
Net Increase/(Decrease) in Cash & Cash Equivalents	5,86,18,560		2,62,97,912	
Cash and Cash Equivalents (On Opening Date)	12,48,53,321		7,96,97,695	
Cash and Cash equivalent added on Consolidation	—		1,88,57,714	
Cash and Cash Equivalents (On Closing Date)	18,34,71,881		12,48,53,321	

Notes: 1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement notified by the Companies (Accounting Standards)

	31st March, 2014	31st March, 2013
	Rs.	Rs.
2. Cash & cash equivalents include :		
- Cash in hand	15,41,034	29,26,676
- With Scheduled Banks:		
On Current Accounts	12,33,60,752	9,41,21,116
On Unclaimed Dividend A/C	9,47,149	7,44,369
On Fixed Deposit A/C	51,44,384	50,00,000
Share of Joint Ventures	5,24,78,561	2,20,61,160
	18,34,71,881	12,48,53,321

3. Previous year's figures have been regrouped/rearranged wherever found necessary.
This is the Cash Flow Statement referred to in our Report of even date.

	For V. Singhi & Associates		
	Chartered Accountants	PRAKASH AGARWAL	Managing Director
	Registration no. 311017E	K.K. GANERIWALA	Executive Director
	(V. K. SINGHI)	U. CHAKRAVARTY	General Manager (Finance)
Place : Kolkata	Partner		& Company Secretary
Date : 21st May, 2014	Membership no. 50051		

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2013

	Note No.	31st March, 2013 Rs.	31st March, 2012 Rs.	31st March, 2012 Rs.
I. EQUITY AND LIABILITIES				
1) Shareholders' Funds				
a) Share Capital	2	7,96,70,800		7,96,70,800
b) Reserves and Surplus	3	102,54,89,091	110,51,59,891	65,09,27,313
				73,05,98,113
2) Minority Interest				
			26,68,68,121	10,62,30,223
3) Non - Current Liabilities				
a) Long - Term Borrowings	4	98,60,21,274		85,64,97,650
b) Deferred Tax Liabilities (net)	5	1,28,78,973		2,68,89,174
c) Other Long Term Liabilities	6	—		3,24,540
d) Long -Term Provisions	7	73,50,968	100,62,51,215	62,95,586
				89,00,06,950
4) Current Liabilities				
a) Short -Term Borrowings	8	62,85,14,247		46,00,78,289
b) Trade Payables	9	89,35,20,857		90,41,28,205
c) Other Curent Liabilities	10	88,04,37,827		32,68,96,410
d) Short -Term Provisions	11	4,45,75,926	244,70,48,857	3,74,77,054
				172,85,79,958
Total			482,53,28,084	345,54,15,244
II. ASSETS				
1) Non - Current Assets				
a) Fixed Assets	12			
i) Tangible Assets		94,40,97,240		74,67,83,580
ii) Intangible Assets		42,30,14,453		5,99,516
iii) Capital Work-in-Progress		1,70,33,598		6,238
		138,41,45,291		74,73,89,334
b) Non - Current Investments	13	16,000		16,000
c) Long - Term Loans and Advances	14	5,39,62,122	143,81,23,413	5,25,96,097
				80,00,01,431
2) Current Assets				
a) Inventories	15	73,79,55,779		51,43,84,264
b) Trade Receivables	16	221,38,98,226		190,74,00,582
c) Cash and Cash Equivalents	17	12,48,53,321		7,96,97,695
d) Short - Term Loans and Advances	18	21,30,38,964		14,01,98,675
e) Other Current Assets	19	9,74,58,381	338,72,04,671	1,37,32,597
				265,54,13,813
Total			482,53,28,084	345,54,15,244

Significant Accounting Policies 1

The accompanying Notes form an integral part of the Financial Statements

	As per our Report of even date		
	For V. Singhi & Associates		
	Chartered Accountants	PRAKASH AGARWAL	Managing Director
	Registration no. 311017E	K.K. GANERIWALA	Executive Director
	(V. K. SINGHI)	U. CHAKRAVARTY	General Manager (Finance)
Place : Kolkata	Partner		& Company Secretary
Date : May 13, 2013	Membership no. 50051		

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31ST MARCH, 2013

	Note No.	Year ended 31st March, 2013 Rs.		Year ended 31st March, 2012 Rs.	
I. Revenue from Operations	20	518,36,57,497		374,35,31,730	
Less : Excise Duty		8,80,14,906	509,56,42,591	<u>6,09,21,377</u>	368,26,10,353
II. Other Income	21		24,34,05,476		5,07,75,359
III. Total Revenue (I + II)			533,90,48,067		<u>373,33,85,712</u>
IV. Expenses					
Cost of Raw Materials and Components consumed	22		307,13,68,246		236,37,45,491
Changes in Inventories of Finished Goods and Work in Progress :	23		(12,48,64,519)		(4,75,82,534)
Employee Benefits Expenses	24		67,15,50,780		36,03,74,080
Finance Cost	25		19,38,36,429		14,31,00,970
Depreciation		6,75,97,185		2,51,01,127	
Less: Transferred from Revaluation Reserve		2,20,268	6,73,76,917	<u>14,09,611</u>	2,36,91,516
Other Expenses	26		77,87,55,973		<u>55,40,60,438</u>
			465,80,23,826		<u>339,73,89,961</u>
V. Profit before tax (III - IV)			68,10,24,241		33,59,95,751
VI. Tax expense					
– Current Tax		11,39,09,638		9,27,00,000	
– Tax adjustment of previous year		75,96,902		<u>6,46,881</u>	
		12,15,06,541		9,33,46,881	
– Deferred Tax		74,37,885		<u>45,59,217</u>	
		12,89,44,425		9,79,06,098	
– Share of Joint Ventures		60,00,000	13,49,44,425	<u>86,56,303</u>	<u>10,65,62,401</u>
Profit after tax before share of Minority					
Interests for the year (V - VI)			54,60,79,816		22,94,33,350
Less: Minority Interests			13,65,05,022		<u>56,30,228</u>
Profit for the year			40,95,74,794		<u>22,38,03,122</u>
Earnings per share (Face value of Rs 10/- each)					
(a) Basic			51.41		28.09
(a) Diluted			51.41		28.09

Significant Accounting Policies

1

The accompanying Notes form an integral part of the Financial Statements

As per our Report of even date

For V. Singhi & Associates

Chartered Accountants

Registration no. 311017E

(V. K. SINGHI)

Partner

Membership no. 50051

PRAKASH AGARWAL

K.K. GANERIWALA

U. CHAKRAVARTY

Managing Director

Executive Director

General Manager (Finance)
& Company Secretary

Place : Kolkata

Date : May 13, 2013

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH, 2013

	Year ended 31st March, 2013		Year ended 31st March, 2012	
	Rs.	Rs.	Rs.	Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit before Tax and Extraordinary Items		68,10,24,241		33,59,95,751
Adjustment for:				
(Profit) / Loss on sale of Fixed Assets	20,75,808		2,88,542	
Unrealised Exchange (Gain)/ Loss (net)	—		69,15,564	
Impact of Foreign Exchange Translation (Net)	(90,18,818)		5,56,415	
Depreciation	6,64,78,479		2,36,91,516	
Interest income	(81,96,039)		(35,52,634)	
Liabilities no longer required written back	—		(72,48,855)	
Negative Goodwill written back	—		(2,47,06,562)	
Government Grant amortised	—		(93,449)	
Bad debts / Advances / Claims written off	9,24,057		17,22,395	
Interest charge	14,00,79,297	19,23,42,783	9,23,78,716	8,99,51,648
Operating Profit before Working Capital Changes		87,33,67,024		42,59,47,399
Adjustment for:				
Trade and other receivables	(44,88,01,272)		(48,03,96,603)	
Inventories	(18,28,71,538)		(15,16,73,324)	
Trade payables	34,48,17,233	(28,68,55,577)	16,95,28,785	(46,25,41,142)
Cash Generated from Operations		58,65,11,447		(3,65,93,743)
Tax paid		(18,13,94,078)		(10,40,27,168)
Net Cash from Operating Activities		40,51,17,369		(14,06,20,911)
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Fixed Assets	(46,61,30,290)		(7,27,42,988)	
Sale of Fixed Assets	56,68,847		24,01,071	
Purchase of Investment in Subsidiaries	(24,50,06,125)		(22,58,72,875)	
Sale of Investments	1,76,42,760		—	
Loan Given	(31,73,82,270)		(10,18,945)	
Interest Received	50,56,574		19,64,953	
Net Cash used in Investing Activities		(100,01,50,503)		(29,52,68,784)

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2013

	Year ended 31st March, 2013		Year ended 31st March, 2012	
	Rs.	Rs.	Rs.	Rs.
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds from Long Term Borrowing	34,34,84,080		49,98,71,144	
Repayments of Long Term Borrowing	(17,32,907)		(17,24,984)	
Proceeds from Short Term Borrowing	88,39,78,669		10,38,23,544	
Repayments of Short Term Borrowing	(37,46,09,035)		(13,31,39,923)	
Minority Contribution	—		6,79,43,990	
Dividend paid	(7,79,48,942)		(1,61,45,991)	
Dividend Tax paid	(1,26,78,356)		(25,84,920)	
Interest paid	(13,91,62,463)		(8,74,10,429)	
Net Cash used in Financing Activities	62,13,31,047		43,06,32,431	
Net Increase/(Decrease) in Cash and Cash Equivalents	2,62,97,912		(52,57,264)	
Cash and Cash Equivalents (On Opening Date)	7,96,97,695		1,07,21,825	
Cash and Cash Equivalent added on Consolidation	1,88,57,714		7,42,33,134	
Cash and Cash Equivalents (On Closing Date)	12,48,53,321		7,96,97,695	

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement notified by the Companies (Accounting Standards)

	31.03.2013	31.03.2012
	Rs.	Rs.
2. Cash & cash equivalents include :		
– Cash in hand	29,26,676	40,56,002
– Cheque in hand	—	
– With Scheduled Banks :		
On Current Accounts	9,41,21,116	4,22,61,425
On Unclaimed Dividend A/C	7,44,369	5,40,401
On Margin Deposit A/cs		
On Fixed Deposit A/cs	50,00,000	1,50,07,020
Share of Joint Ventures	2,20,61,160	1,78,32,847
	12,48,53,321	7,96,97,695

- Previous year's figures have been regrouped/rearranged wherever found necessary.
This is the Cash Flow Statement referred to in our Report of even date.

	For V. Singhi & Associates		
	Chartered Accountants	PRAKASH AGARWAL	Managing Director
	Registration no. 311017E	K.K. GANERIWALA	Executive Director
	(V. K. SINGHI)	U. CHAKRAVARTY	General Manager (Finance)
Place : Kolkata	Partner		& Company Secretary
Date : May 13, 2013	Membership no. 50051		

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2012

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

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

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

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

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

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

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

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

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2012

C. CASH FLOW FROM FINANCING ACTIVITIES

Proceeds from Long Term Borrowing	49,98,71,144	
Repayments of Long Term Borrowing	(17,24,984)	
Proceeds from Short Term Borrowing	10,38,23,544	
Repayments of Short Term Borrowing	(13,31,39,923)	
Minority Contribution	6,79,43,990	
Dividend paid	(1,61,45,991)	
Dividend Tax paid	(25,84,920)	
Interest paid	(8,74,10,429)	
Net Cash used in Financing Activities		43,06,32,431
Net Increase/(Decrease) in Cash and Cash Equivalents		(52,57,264)
Cash and Cash Equivalents (On Opening Date)		1,07,21,825
Cash and Cash Equivalent added on Consolidation		7,42,33,134
Cash and Cash Equivalents (On Closing Date)		7,96,97,695

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement notified by the Companies (Accounting Standards) Rule, 2006
- Cash & cash equivalents include :

	31.03.2012
– Cash in hand	40,56,002
– With Scheduled Banks :	
On Current Accounts	4,22,61,425
On Unclaimed Dividend A/C	5,40,401
On Fixed Deposit A/cs	150,07,020
Share of Joint Ventures	1,78,32,847
	7,96,97,695
- Comparative figures of previous year are not given as this is the first year of Consolidated Cash Flow Statement.
This is the Cash Flow Statement referred to in our Report of even date .

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

This offering and an investment in Equity Shares involve a high degree of risk. You should carefully consider the risks described below as well other information contained in this Placement Document before making an investment decision. If any of the risks described below actually occurs, our business, prospects, financial condition and results of operation could be seriously harmed, the trading price of our shares could decline and you may lose all or part of your investment. Unless specified or quantified in the risk factors below, we are not in a position to quantify the financial implications of any of the risks mentioned below. Additional risks not described below or not currently known to us or that we currently deem immaterial may also adversely affect the market price of our Equity Shares. Unless otherwise specified, all amounts in this section are stated on an unconsolidated basis.

RISKS RELATING TO OUR BUSINESS

There are outstanding litigation proceedings against the Company, Subsidiaries, Promoter and Directors, an adverse outcome in which could have a material adverse impact on our reputation, business, financial condition, results of operations and cash flows.

The Company, Subsidiaries, Promoter and Directors are involved in certain legal proceedings. A summary of all litigations and disputes against the Company, Subsidiaries, Promoter and Directors involving potential financial implication on the net worth of the Company, is in the following tables:

Litigation against the Company:

(in ₹ million)

Nature of Litigation	Number of Outstanding Litigation	Amount Involved*
Civil Proceedings	1	1.7
Arbitration Proceedings	1	219.61**
Total	2	221.31

*Excluding interest on the claim amount

**The Company has filed a counterclaim involving an amount of ₹132.48 million along with interest at the rate of 24% per annum.

Litigation by the Company:

(in ₹ million)

Nature of Litigation	Number of Outstanding Litigation	Amount Involved*
Civil Proceedings	4	19.17
Arbitration Proceedings	1	49.49**
Tax Proceedings	8***	20.95
Total	13	89.61

*Excluding interest on the claim amount

** The opposite party has filed a counterclaim involving an amount of ₹29.06 million along with interest at the rate of 18% per annum.

*** Appeals made by the Company in connection with five sales tax related disputes mainly due to non-submission of requisite declaration forms (₹17.86 million), two excise duty related disputes (₹0.19 million) and one income tax related disputes (₹2.90 million)

Litigation against our subsidiaries:

(in ₹ million)

Nature of Litigation	Number of Outstanding Litigation	Amount Involved
Civil Proceedings	1	1.20
Total	1	1.20

Litigation against our Promoter:

(in ₹ million)

Nature of Litigation	Number of Outstanding Litigation	Amount Involved
Notices	1	-

Nature of Litigation	Number of Outstanding Litigation	Amount Involved
Total	1	-

Litigation against our Director:

(in ₹ million)

Nature of Litigation	Number of Outstanding Litigation	Amount Involved
Notices	1	-
Total	1	-

Please see the section “Legal Proceedings” on page 141 of this Placement Document for further details of the aforementioned legal proceedings.

These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally from us and other parties. Such proceedings could divert management time and attention, and consume financial resources in their defence or prosecution. Should any new developments arise, such as any change in applicable Indian law or any rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase expenses and current liabilities. An adverse outcome in any such proceedings may affect our business, results of operations and financial condition.

SEBI has passed an ex-parte order dated June 4, 2013 in relation to non-compliance by certain listed companies. One of such entities against who an ex-parte order was passed by SEBI forms part of our Group Entities.

SEBI passed an ex-parte order dated June 4, 2013 (“**SEBI Order**”) in connection with non-compliance by Tea Time Limited with minimum public shareholding requirements stipulated under the SCRR (“**Minimum Public Shareholding**”). Mr. Prakash Agarwal, Hindusthan Udyog Limited and Ashutosh Enterprise Limited and other entities forming part of our Promoter and Promoter Group are also promoter and promoter group in Tea Time Limited and Mr. K.K. Ganeriwala, Whole time Director on the Board of the Company is a director on the board of Tea Time Limited. Pursuant to the said SEBI Order, SEBI has directed freezing of voting rights and corporate benefits with respect to the excess of proportionate shareholding of the promoter and promoter group entities of Tea Time Limited, prohibited promoter and promoter group entities and directors on the board of Tea Time Limited from buying, selling or otherwise dealing in securities of Tea Time Limited, either directly or indirectly, till the time of compliance with Minimum Public Shareholding, restrained the promoter and promoter group entities and directors of Tea Time Limited from holding any new position as director in any other listed company with effect from the date of the SEBI Order. Additionally, SEBI also has right to take any other action, including levying of monetary penalty under adjudication proceedings and initiating criminal proceedings against the Promoter and Promoter Group as mentioned above and Mr. K.K. Ganeriwala, in his capacity as a director on the board of Tea Time Limited.

We are vulnerable to fluctuations in raw materials costs. This may affect our margins and in turn our operations, financial condition and cash flows.

Certain raw materials that the Company uses in its operations, particularly steel/ alloy steel castings, motors, engines and starters, mild steel sheets, steel shafting, pig iron/ferrous scrap, pipes and tubes, may be subject to significant price fluctuations.

We contract to provide services mostly on the basis of a fixed price or a lump sum price for supply of pumps and turnkey project execution. Under the terms and conditions of such fixed-price or lump-sum contracts, we generally agree to a fixed price for supplying pumps or providing engineering services for the part of the project contracted to us. In the case of turnkey contracts, we generally agree to deliver completed facilities which are in a ready-to-operate condition. Increases in the costs of raw materials resulting in an increase in the expenditure are sometimes covered by suitable escalation clauses under such contracts. However, in contracts that lack such provisions or in which the escalation clauses are only limited, we bear all or a portion of the risks of such increases, a factor which we take into account when determining our contract prices. Contract prices are based on a number of assumptions and if any of these assumptions prove to be inaccurate, or circumstances change, cost overruns could occur and we would experience reduced profits or, in some cases, losses. Any unexpected material increase in the Company’s cost of raw materials could have an adverse effect on our profitability, financial condition and results of operations.

Our business depends on the levels of capital investment and maintenance expenditures by the customers, which in

turn are affected by state investment in and other support for the customers or in state-sponsored infrastructure projects and political and financial pressures. Any of these factors could have a material adverse effect on the operations of our customers which in turn may affect the demand for our products and services and, as a result, could have a material adverse effect on our business, financial condition and results of operations.

A significant portion of the Company's revenues derives from customers which are owned or controlled by the GoI or which directly or indirectly receive financing or other support from the GoI. Some of the Company's most significant customers by revenue are state-controlled entities. The Central and State Governments in India are making substantial investments in infrastructure development and construction. Changes in the Central Government and/or State Governments, scaling back of government policies, initiatives or budgetary allocation, or the insufficiency of funds on the part of governmental entities could result in delays to our projects with such entities. Government projects may also be subject to political or financial pressures that may lead to such agreements being restructured or renegotiated by these entities, which could adversely affect our business and results of operations. We also face the risk of non-payment or delay in the collection of receivables from Government or State Government owned or controlled entities. As our operations involve significant working capital requirements, non-payment or delayed collection of our receivables could adversely affect our liquidity which may, in turn, affect our financial condition and results of operations. Failure by our project companies to make timely payments could result in a loss on our investment in these project companies if lenders trigger enforcement of their security under the financing agreements due to a project company payment default. The reductions or postponements in the capital expenditures or reduction in financing in the infrastructure sector by the Government of India, could lower demand for our products and services and, as a result, could have a material adverse effect on our business, financial condition and results of operations.

We depend on a limited number of customers for a significant portion of our revenues. The loss of a major customer or significant reduction in manufacturing and sales of, or demand for our products from, our major customers may adversely affect our business, financial condition, results of operations and prospects.

We depend on a limited number of customers for a significant portion of our revenues. Revenue from our top 10 customers constituted 48.09%, 54.57% and 46.68%, of our income from operations, on standalone basis for fiscal 2014, 2013 and 2012, respectively.

Demand for our products and services are directly related to the projects undertaken by our major customers, which may be affected by general economic or industry conditions, including seasonal trends in the agriculture sector and cyclical or countercyclical effects in the other sectors, recessionary trends in the global and domestic economies, as well as evolving regulatory requirements, government initiatives and other factors. In this environment, it is difficult to forecast the success or sustainability of any strategies undertaken by any of our major customers in response to the current economic or industry environment. Unfavorable industry conditions can also result in an increase in commercial disputes and other risks of supply disruption.

As our business is currently concentrated among relatively few significant customers, we may experience reduction in cash flows and liquidity if we lose one or more of our major customers or if the amount of business from them is significantly reduced for any reason, including as a result of a dispute with or disqualification by a major customer.

We are exposed to foreign currency exchange rate fluctuations, which may harm our results of operations and cause our quarterly results to fluctuate.

Our financial statements are presented in Indian Rupees. However, our revenues and operating expenses and finance charges of our Subsidiaries are influenced by the currencies of those countries where we manufacture and/or sell our products (for example, the United Kingdom, South Africa, Australia and Thailand). The exchange rate between the Indian Rupee and these currencies, has fluctuated in the past and our results of operations have been impacted by such fluctuations in the past and may be impacted by such fluctuations in the future. For example, during times of strengthening of the Indian Rupee, our overseas sales and revenues will generally be negatively impacted as foreign currency received will be translated into fewer Rupees. However, the converse positive effect of depreciation in the Indian Rupee may not be sustained or may not show an appreciable impact in our results of operations in any given financial period, due to other variables impacting our business and results of operations during the same period. We expect that our cost of borrowing as well as our cost of raw materials and components incurred by our foreign Subsidiaries may rise during a sustained depreciation of the Indian currency.

We may, therefore, suffer losses on account of foreign currency fluctuations for our inventory in our international warehouses, since the prices that our customers pay for our products are only subject to revision for foreign currency

fluctuations on a periodic basis and outside a specified range and we may not be able to pass on all losses on account of foreign currency fluctuations to our customers. Moreover, we may be required to reconfigure our loan portfolio from time to time, so as to effectively manage our finance charges.

While we seek to hedge our foreign currency exchange risk by entering into forward exchange contracts, any amounts that we spend or invest in order to hedge the risks to our business due to fluctuations in currencies may not adequately hedge against any losses that we may incur due to such fluctuations. As on date we do not have any outstanding forward exchange contracts. As on March 31, 2014, our total unhedged foreign currency receivables amounted to ₹ 225 million, while our total unhedged foreign currency payables amounted to ₹ 175.87 million, there were no outstanding forward exchange contracts and the total value of unhedged foreign currency loans amounted to ₹ 121.16 million, on a standalone basis.

Our business depends on the award of contracts and renewals and extensions of existing contracts. In case we are not awarded contracts or our existing contracts are not renewed due to our inability to provide services within the stipulated time frame in terms of the existing contracts, it may have a material adverse effect on our business, financial condition and results of operations.

A significant portion of our sales are derived directly or indirectly from contracts that are subject to either a tender or selection process. We are not able to predict whether we will be awarded such contracts and, even if awarded such contracts, whether they will proceed as originally planned. The tender or selection process is affected by a number of factors outside our control, such as market conditions and corporate approvals required of the customers. In preparation for a tender, we assess our current capacity in terms of staffing, equipment and the availability of third parties, such as subcontractors and suppliers, and, if awarded the contract, we determine how to deploy the resources in order to fulfil the contract. If our assessment of the resources required to fulfil a contract is incorrect, or if we are not selected or if the contracts we enter into are delayed and we are unable to perform a contract within the stipulated timeframe, our work flow may be interrupted and the viability of the project may be impacted, which could have a material adverse effect on our business, financial condition and results of operations.

We may incur losses on our long-term contracts, which could cause our revenues and earnings to fluctuate significantly. Some of the long term contracts entered by us are on fixed price which may lead to pricing risks that could cause in incurring losses by us.

We typically agree to supply products or perform services for a fixed price from the initial award of the contract through to completion. Our cost estimates may be inaccurate or we may not be able to complete the work within the stipulated timeframe for reasons that may be beyond our control, meaning that we may not realise profit on a particular contract in the anticipated timeframe or at all. In addition, unanticipated changes in market conditions may reduce the profitability of a particular contract.

Our long-term contracts for the manufacture of customised equipment and provision of EPC services typically involve complex design and engineering work or the significant procurement of equipment and materials. Our costs and any gross profit realised on such contracts may vary from the estimates on which such contracts were originally based. The reasons for this may include, among others:

- errors in cost, design or estimated time for performance;
- problems with the delivery of equipment and supplies;
- schedule changes;
- changes in the availability and cost of labour and material;
- failure of subcontractors to perform their contractual obligations; or
- other disruptions (such as delays in obtaining permits or prolonged adverse weather conditions).

Any of these factors may impact our ability to complete the project or perform its contracts within budget or in accordance with the agreed schedule.

Delays in the completion of orders or projects, or failure to meet certain key performance indicators may result in additional costs or reduction in revenues. Further, in certain circumstances, we may also be exposed to damages, which could have a material adverse effect on our business, financial condition and results of operations.

We operate in competitive industry and failure to compete effectively could result in reduced profitability and loss of market share.

The markets for industrial pumps and engineering services in which we operate, are competitive. Competitive factors in the markets in which we operate include timing, price, quality and technical proficiency and product and service delivery on a timely basis. Our ability to enhance the existing products and services and technical proficiency and to increase the scale of our operations, while controlling the costs, is of primary importance to us to compete effectively. Our current competitors and any future competitors that may enter the division of designing, developing, marketing, installing and servicing of vertical and horizontal pumps may have greater financial, technical and other resources, broader experience, lower cost structures and better relationships in the markets in which we operates. There can be no assurance that we will be able to maintain or increase our current market share in the future. In addition, more intense competition may force us to offer our products and services on less favourable terms and conditions. These competitive factors could have a material adverse effect on our business, financial condition and results of operations.

We are dependent on our senior management personnel as well as the availability of qualified personnel and an inability to attract, recruit and retain our senior management and other key personnel could adversely affect our business and results of operations.

We are dependent on our Directors, senior management and other key personnel, including skilled project management personnel, for setting our strategic direction and managing our business, which are crucial to our success and business strategy.

Our success also depends on appropriately qualified employees for our various projects. As at September 30, 2014, the Company had 435 employees on standalone basis. A significant number of our employees are skilled engineers, quantity surveyors and financial modellers, and we face strong competition in recruiting and retaining such skilled and professionally qualified staff. Our ability to meet continued success and future business challenges, including our ability to expand our operations, depends on our ability to attract, recruit and retain experienced, talented and skilled professionals. We may also need to increase our pay structures to attract and retain such personnel, which could affect our profit margins. Our relationships with key employees could deteriorate due to disputes related to, among other things, wages or benefit level; such disputes would adversely affect our operations and could potentially damage our reputation. Further, there can be no assurance that increased salaries will result in a lower rate of attrition. The loss of services of our Directors, senior management or other key personnel or our inability to recruit or train a sufficient number of experience personnel or our inability to manage the attrition levels in different employee categories may have an adverse effect on our results of operations.

We are dependent on our ability to attract and retain sufficient skilled personnel that will enable us to achieve our strategic objectives and our inability to attract and retain qualified specialists for our manufacturing facilities may affect our business, financial conditions and results of operations.

The successful implementation of the growth strategy is heavily dependent on our ability to attract and retain qualified specialists for operating the manufacturing facilities and to work as part of the research and development (“R&D”) teams to develop and enhance our product portfolio and engineering services. Our growth and profitability may be limited by the scarcity of engineers specialized in the field in which we operate, and other technical and management personnel or by potential increases in compensation costs associated with attracting and retaining these employees. Our future success will also depend on our continued ability to attract, retain and motivate highly qualified sales, technical, customer support, financial and accounting, marketing, promotional and managerial personnel. If our compensation costs increase or if we cannot attract and retain qualified specialists for operating the manufacturing facilities, our profitability could be negatively impacted and the production capacity and growth potential would be impaired, which could have a material adverse effect on our business, financial conditions and results of operations.

Rapid technological change could increase competition and require us to make substantial additional investments in the business and we may not procure such funding at favourable terms resulting in limiting our ability to compete effectively and decrease in demand for our products and services which could have a material adverse effect on our business, financial conditions and results of operations.

We operate in an industry in which significant technological change developed or obtained by a competitor could negatively impact the demand for our products and services. We must anticipate and adapt to such technological change and develop and introduce, on a timely basis, competitively priced products and services that meet changing industry standards and customer preferences. As new technologies are developed, we may be required to implement these new technologies at a substantial cost in order to remain competitive. We may not have, and may not be able to secure, adequate resources or funding to develop such technologies or may fail to direct our product development in the right technologies, which may lead us to incur significant costs. Such equipment may be subject to breakdowns and defects,

which may result in interruption of the manufacturing process. In addition, our competitors may have greater resources with which to develop new technologies and may implement them before us, which may allow them to provide lower-priced or better-quality products and services. If we do not keep pace with rapid technological advances, we could lose market share and it could limit our ability to compete effectively and, as a result, decrease demand for our products and services, which could have a material adverse effect on our business, financial condition and results of operations.

Our businesses may be subject to professional errors resulting in substantial property loss and other liability claims that may materially adversely affect our operations and profitability.

Our business involves a high degree of professional judgment and errors could lead to liability claims under law, under the terms of contracts or product quality guarantees or otherwise, as well as adverse publicity. Furthermore, the services we provide and the products we manufacture can result in injury or damage to third parties. An accident or a failure involving a product or service could cause personal injury, loss of life, damage to property, equipment or the environment, consequential losses and suspension of operations. We maintain limited insurance, and may not be adequately protected against liability for such events, including events involving third-party liability in respect of property or relating to our operations. We do not have full coverage for all of our facilities and we do not have any coverage for business interruption, environmental damage, construction risk and consequential damages, including lost production of our customers. We do not maintain separate funds or otherwise set aside reserves for accidents or failures and other such events. Moreover, we may not be able to maintain insurance at levels of risk coverage or policy limits that it deems adequate, nor can we guarantee that every contract contains and has properly incorporated adequate limitations on its liabilities. Any claims made under the policies availed by us will likely cause the premiums to increase. Any future damage caused by our products or services that are not covered by insurance, are in excess of policy limits, are subject to substantial deductibles or are not limited by the incorporation of adequate contractual limitations of liability could reduce our earnings and the cash available for the operations or lead to other material adverse effects on our business, financial condition and results of operations.

Our business is subject to a variety of safety, health and environmental laws and regulations. Any failure on our part to comply with applicable environmental laws and regulations could have an adverse effect on our business, financial condition and results of operation.

As a manufacturing company, we are required to comply with various laws and regulations relating to the environment. Some of our project operations are subject to environmental laws and regulations including the Environmental Protection Act 1986, the Air (Prevention and Control of Pollution) Act 1981, the Water (Prevention and Control of Pollution) Act 1974 and other regulations promulgated by the Ministry of Environment and the Pollution Control Boards (PCBs) of the relevant states. We may incur substantial costs in complying with environmental laws and regulations and failure to comply with such laws and regulations may result in penal obligations, completion delays or material increases in our costs or otherwise have an adverse effect on our financial condition and results of operations.

We believe environmental regulation of industrial activities in India will become more stringent in the future. The scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted with certainty. The costs and management time required to comply with these requirements could be significant. The measures we implement in order to comply with these new laws and regulations may not be deemed sufficient by governmental authorities and our compliance costs may significantly exceed our estimates. If we fail to meet environmental requirements, we may also be subject to administrative, civil and criminal proceedings by governmental authorities, as well as civil proceedings by environmental groups and other individuals, which could result in substantial fines and penalties against us as well as orders that could limit or halt our operations.

There can be no assurance that we will not become involved in future litigation or other proceedings or be held responsible in any such future litigation or proceedings relating to safety, health and environmental matters in the future, the costs of which could be material. Clean-up and remedial costs, as well as damages, other liabilities and related litigation, could adversely affect our business, financial condition and results of operations.

Activities involving our manufacturing process can be dangerous and can cause injury to people or property in certain circumstances. A significant disruption at any of our manufacturing facilities may adversely affect our production schedules, costs, sales and ability to meet customer demand in a timely manner or at all.

Our business involves complex manufacturing processes that can be dangerous to our employees. Although we employ safety procedures in the operation of our facilities and maintain what we believe to be adequate insurance, there is a risk that an accident or death may occur in one of our facilities. An accident may result in destruction of property or

equipment, environmental damage, manufacturing or delivery delays, or may lead to suspension of our operations and/or imposition of liabilities. Any such accident may result in litigation, the outcome of which is difficult to assess or quantify, and the cost to defend litigation can be significant. As a result, the costs to defend any action or the potential liability resulting from any such accident or death or arising out of any other litigation, and any negative publicity associated therewith, may have a negative effect on our business, financial condition, results of operations and prospects. For details in relation to complaint filed against the Director of the Company in connection with the fatal accident that occurred at the premises of our factory located at Panihati, please see section “Legal Proceedings” on page 141 of this Placement Document.

In particular, if operations at our manufacturing facilities were to be disrupted as a result of any significant workplace accident, equipment failure, natural disaster, power outage, fire, explosion, terrorism, adverse weather conditions, labor dispute, obsolescence or other reasons, our financial performance may be adversely affected as a result of our inability to meet customer demand or committed delivery schedules for our products.

Interruptions in production may also increase our costs and reduce our sales, and may require us to make substantial capital expenditures to remedy the situation or to defend litigation that we may become involved in as a result, which may negatively affect our profitability, business, financial condition, results of operations and prospects.

We require certain approvals or licenses in the ordinary course of business and any inability to procure any or all such licences or retain them in a timely manner, or at all, could expose us to significant risk including abandonment and/or delay of certain project and an adverse effect on business, revenue and financial results.

We require certain approvals, licenses, registrations and permissions for operating our business and are also required to obtain certain consents and permissions including labour related consents. Some of these approvals may have expired for which we may have either made or may be in the process of making an application for obtaining their approval or renewal. If we fail to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, we may not be able to conduct our business operations, and may be exposed to penalties and interest costs amongst other things, which may in turn affect our business, revenue and financial results of operations. Furthermore, government approvals and licenses are subject to numerous conditions, some of which are onerous and require us to make substantial expenditure. If we fail to comply, or a regulator claims we have not complied, with these conditions, our business, financial condition and results of operations could be adversely affected.

Most of the Company’s manufacturing facilities are located on premises leased to us. If the lease(s) are terminated, prior to its tenure or if it is not renewed or if we are required to cease our operations at a property, for any reason whatsoever, our business, financial condition and results of operation may be adversely affected.

Except the manufacturing facility of the Company located at Panihati, all other manufacturing facilities of the Company are located on premises leased to us.

The Company has also taken certain properties on lease under short term lease agreements for tenure of three years, from the date of such lease. In the event that the Company is unable to renew these lease agreements, the Company may be required to vacate the lease and relocate our manufacturing facilities and our research and development facility.

In the event that we are required to vacate the lease and relocate our manufacturing and / or research and development facilities, we will be required to expend time and financial resources to locate suitable land to set up a manufacturing unit, which may adversely affect our financial condition. Also, we may be unable to relocate to an appropriate location in a timely manner, or at all.

If the lease(s) is terminated, prior to its tenure or if it is not renewed or if we are required to cease our operations at a property, for any reason whatsoever, our business, financial condition and results of operations may be adversely affected.

We operate in various geographies and are subject to extensive regulations of multiple jurisdictions and any failure to comply with these regulations could subject us to penalties or sanctions or both.

Due to our acquisitions in various jurisdictions, we are subjected to regulations in several jurisdictions. For details in relation to our acquisitions, please see section “Business” on page 79 of this Placement Document.

Our ability to conduct business in the jurisdictions in which we currently operate depends on our compliance with the laws,

rules and regulations promulgated by regulatory bodies and the regulatory authorities in each of these jurisdictions. While we have adopted policies and procedures reasonably designed to comply with all applicable laws, rules and regulations, these systems and procedures may not be fully effective, and we cannot assure you that regulators or third parties will not raise material issues with respect to our past or future compliance with applicable regulations. Compliance with many of the regulations applicable to us involves a number of risks, particularly in areas where applicable regulations may be subject to varying interpretation.

If we are found to have violated any applicable regulation, administrative or judicial proceedings may be initiated against us that may result in restrict us from carrying on our operations or other adverse consequences. The imposition of any of these or other penalties could have an adverse effect on our business, reputation, financial condition and results of operations. We are subject generally to changes in Indian and international laws, as well as to changes in regulations and accounting principles. We cannot assure you that the laws governing the sector in which we operate will not change in the future or that the impact of such changes would not adversely affect our business and results of operations.

We may be subject to claims stemming from our involvement with our distributors who may be supplying goods without our knowledge in jurisdictions that are subject to OFAC and other sanctions.

We may have indirectly supplied products through its distributors in the Middle East and elsewhere to entities located in Iran. Any alleged violations of OFAC sanctions, could adversely affect the public image and reputation of the Company and its Subsidiaries, and the perception by potential or actual investors and other stakeholders (such as suppliers and customers), and have a material adverse effect on our business, financial condition and results of operations.

We have debt agreements which contain restrictive covenants, placing significant limitations on us, which could restrict our ability to conduct our business and grow our operations and increases in interest rates may impact our results of operations.

Some debt agreements entered into by us contain restrictive covenants, which, among other things, restrict our ability to raise additional equity, incur additional debt, pay dividends, make investments, engage in transactions with affiliates, create liens, mortgage, charge or create any security on the assets, sell assets or acquire facilities or other businesses and change capital structure, amongst other things. Any default of such restrictions will entitle the respective lenders to call a default against us, enforce remedies under the terms of the financing documents, that could include, among other things, acceleration of repayment of the amounts outstanding under the financing documents, enforcement of the security interest created under the financing documents, taking possession of the secured assets or, at their option, terminate the relevant loan agreements. In relation to the Issue, we have received consent from a majority of our lenders. However, approvals received for the purpose of Issue from State Bank of India is subject to promoter and promoter group shareholding not falling below 60% of the paid up equity share capital of the Company and approval received from Central Bank of India is subject to management/ controlling stake in the Company shall continue with the present promoters.

A default by us under the terms of any financing document may also trigger a cross-default under our other financing documents, or our other agreements or instruments containing cross-default provisions, which may individually or in the aggregate, have an adverse effect on our business, results of operations, financial condition and credit rating.

Also, we may have to dedicate a substantial portion of our cash flow from operations to make payments under the financing documents, thereby reducing the availability of our cash flow to fund capital expenditures, meet working capital requirements and use for other general corporate purposes. Such defaults may also result in a decline in the trading price of the Equity Shares and you may lose all or part of your investment. If the lenders of a material amount of the outstanding loans declare an event of default simultaneously, we may be unable to pay our debts as they fall due.

We will continue to be controlled by our Promoters and certain Promoter Group entities after the completion of this Issue and our Promoters may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders.

The pre-Issue shareholding of our Promoters and Promoter Group, as on September 30, 2014 was 74.87% of the total paid-up share capital. After the completion of this Issue, our Promoters and Promoter Group will collectively hold significant portion of the Company. Consequently, our Promoters will continue to exercise significant control over us, including being able to control the composition of our Board and determine matters requiring shareholder approval or approval of our Board. Our Promoters may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders. By exercising their control, our Promoters could delay, defer or cause a change of our control or a change in our capital structure, delay, defer or cause a merger, consolidation,

takeover or other business combination involving us, discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us. There can be no assurance that such actions will not have an adverse effect on our future financial performance and the price of our equity shares.

We may be unable to successfully execute future acquisitions or efficiently integrate and manage the businesses we have acquired or may acquire in the future.

We have entered into new businesses through the acquisitions or integrations. We may continue to expand, in part, by acquiring complementary businesses in the future. The success of the past acquisitions and any future acquisitions will depend upon several factors, including the following:

- our ability to identify and acquire businesses on a cost-effective basis;
- our ability to integrate acquired personnel, operations, products and technologies into our organization effectively;
- our ability to retain and motivate key managerial personnel and to retain the customers of the acquired businesses;
- unanticipated problems or legal liabilities of the acquired businesses; and
- tax or accounting issues relating to the acquired businesses.

Any acquisition requires a significant commitment of management time, capital investment and other resources. If we are unable to effectively execute our planned acquisitions or integrate any acquired businesses, our business, financial condition and results of operations may be adversely affected. We cannot assure you that we will achieve the strategic purpose of any acquisition or operational integration or an acceptable return on such investments. In addition, if we pay for such acquisitions by issuing additional Equity Shares as consideration for the purchases, the value of our Equity Shares may be diluted. Furthermore, the success of such expansions is highly dependent on our ability to obtain the requisite approvals and registrations from financial services regulatory authorities in the countries out of which these entities are based.

We cannot assure you that we will be able to effectively and successfully integrate these acquisitions. Further, there is a risk that our integration plans may not be executed in a timely manner or at expected costs. Any failure to effectively implement the integration strategies related to these acquisitions may have an adverse effect on our business and financial condition. For details in relation to our recent acquisitions, see “Business” in this Placement Document.

We may encounter problems relating to the operations of our joint ventures, which could impose additional financial and performance obligations resulting in reduced profits or, in some cases, significant losses from the joint venture and may cause financial liability and may adversely affect our business and financial condition.

As a consequence of qualification and client requirements, and to mitigate risks associated with projects, we enter into various joint ventures with domestic as well as international companies as part of our business. We anticipate that our future projects will continue to be developed and maintained through joint ventures as we continue to jointly bid for contracts with suitable joint venture partners. The success of these joint ventures depends significantly on the satisfactory performance by our joint venture partners and fulfilment of their obligations. Our liability in relation to the projects being executed by our joint ventures is typically joint and several. If our joint venture partners fail to perform these obligations satisfactorily, the joint venture may be unable to perform adequately or deliver its contracted services. In such cases, we may be required to make additional investments or provide additional services to ensure the adequate performance and delivery of the contracted services. These additional obligations could result in reduced profits or, in some cases, significant losses for us. The inability of a joint venture partner to continue with a project due to financial or legal difficulties could mean that we would bear increased and possibly sole responsibility for the completion of the project and bear a correspondingly greater share of the financial risk of the project. In some cases, we may not be able to provide the services which our joint venture partners have failed to provide, due to our lack of experience or expertise in certain areas and we may not be successful in finding suitable substitute partners.

In addition, we may also need the cooperation and consent of our various joint venture partners in connection with the operations of our joint ventures, which may not always be forthcoming. We may have disagreements with our joint venture partners regarding the business and operations of the joint ventures. We cannot assure you that we will be able to resolve such disputes in a manner that will be in our best interests, especially where we have minority stakes in the joint ventures. If we are unable to successfully manage relationships with our joint venture partners, our projects and our profitability may suffer. In addition, our joint venture partners may have economic or business interests or goals that are inconsistent with ours. Any of these factors could adversely affect our business, financial condition and results of operations.

Product liability claims may adversely affect our business, financial condition and results of operations.

Our Company closely monitors all stages of the production cycle, from market research and product planning to sales and after-sales services. However, there can be no assurances that each of our products is and will be free from defects and that such defects would not result in a product recall and/or product liability claims or other claims relating to product quality. Although our Company takes precautions by way of providing product quality guarantees and servicing and maintenance during the terms of the guarantee there can be no assurances that product liability claims would not be filed against our Company in the future. Actual or claimed defects in our products may give rise to claims against it for losses and expose it to claims for damages. Currently, we do not have product liability insurance to protect it against such risks, and there can be no assurances that it will be able to obtain such coverage in the future or that any insurance coverage would be adequate or available to protect it in the event of such a claim. Any or all of the above could have a material adverse effect on our business, financial condition and results of operations.

Any downgrading of the Company or its Subsidiaries' or India's debt rating by an international rating agency could have a negative impact on our business.

Any adverse revision to the Company or its Subsidiaries' or the rating of India's domestic or international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such funding is available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of the Equity Shares.

Some of our corporate records relating to allotments of our equity shares in the past are not traceable.

We are unable to trace copies of certain corporate records and filings in relation to equity shares issued and allotted by the Company in the past, and in particular, on allotments of equity shares of the Company from its incorporation on February 26, 1952 till the allotments made prior to May 20, 1985.

We have placed reliance on other documents including prospectus filed by the Company for initial public offering in the year 1985 for corroborating the share capital history of the Company for such period. We have not been able to obtain copies of such relevant documents, including from the relevant Registrar of Companies in India. Therefore, the information provided in the share capital history of the Company may not be complete.

Strikes and other labour disputes could adversely affect our business.

Some of our employees are represented by trade unions, which have collective bargaining agreements covering more than 42% of the employees of the Company. We have a memorandum of settlement for fringe benefits with the workmen of the Company represented by WPIL Ltd. Employees Union and WPIL Ltd. Worker's Union with respect to our factory located at 22, Ferry Fund Road, Panihati, North 24 Paraganas, West Bengal and memorandum of settlement for fringe benefits with the workmen of the Company represented by Johnston Pumps Factory Workers Union with respect to our factory located at A-5, Sector 22, Meerut Road, Ghaziabad, Uttar Pradesh. As such, we have not faced instances of strike and other labour disputes in recent past. However, a lengthy strike or other work stoppage in future at any of our facilities could have a material adverse effect on our business, financial condition and results of operations. See "Business—Employees" in this Placement Document.

We have entered into and may in the future enter into related party transactions.

We have in the course of our business entered into, and will continue to enter into, transactions with related parties. The Company has entered into several related party transactions with our joint venture entities, Subsidiaries, step down subsidiaries and others including in relation to sale of products and execution of projects, management services, operations and maintenance services, inter-corporate loans and office space. For more information regarding our related party transactions, see "Financial Statements" in this Placement Document. We cannot assure you that we will receive favourable terms in our related party transactions or that any favourable terms which currently benefit us will continue.

While we believe that all of our related party transactions are in compliance with applicable law, we cannot assure you that we could not have achieved more favorable terms had such transactions been entered into with unrelated parties. Further, the transactions we have entered into and any future transactions with our related parties have involved or could potentially involve conflicts of interest which may be detrimental to the Company. We cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on our business, results of operations and financial condition, including because of potential conflicts of interest or otherwise.

We may not maintain historical dividends in the future.

While we have paid dividends in the past, there can be no assurance as to whether we will pay dividends in the future and, if so, the level of such future dividends. Our declaration, payment and amount of any future dividends is subject to the discretion of the Board, and will depend upon, among other factors, our earnings, financial position, cash requirements and availability of profits, as well as the provisions of relevant laws in India from time to time.

Significant differences exist between Indian GAAP used throughout our financial information and other accounting principles, such as IFRS, with which investors may be more familiar.

Our financial statements are prepared in conformity with Indian GAAP, consistently applied during the periods stated, except as provided in the related reports, and no attempt has been made to reconcile any of the information given in this Placement Document to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries such as IFRS. The degree to which financial information in this Placement Document will provide meaningful information depends on your familiarity with Indian GAAP and the Companies Act and therefore, no undue reliance should be put by persons not familiar with Indian GAAP on the financial disclosures presented in this Placement Document.

Our contingent liabilities could adversely affect our financial condition.

As of March 31, 2014, our contingent liabilities not provided for, as disclosed in our consolidated audited financial statements include:

(₹ in million)		
Sr. No.	Particulars	Fiscal Year 2014
1.	Sales Tax matter under dispute	17.86
2.	Income Tax matter under appeal	2.90
3.	Excise Duty matters under dispute	0.19
4.	Bank Guarantee outstanding	593.10
5.	Corporate Guarantee outstanding	1,124.46

If the aforementioned contingent liabilities materialise, our profitability and cash flows may be adversely affected. For further details, see the section “Financial Statements” on page 147 of this Placement Document.

The Company does not own or have not registered some of the trade names or trademarks that are used by the Company. Therefore the Company may be unable to adequately protect its intellectual property. Furthermore, it may be subject to claims for use of logo alleging breach of third party intellectual property rights.

The Company currently does not own any registered trademarks or trade names. If any of the Company’s unregistered trademarks or propriety rights are registered by a third party, it may not be able to make use of such trademark or propriety rights in connection with its business and consequently may be unable to capitalize on the brand recognition associated with the Company. Similarly, the Company has not registered the logo used by it and registration of the same by any third party may affect its ability to use the logo and it may also be made subject to claims by any third party for usage of the same.

Until such time that the Company receives registered trademarks, it can only seek relief against “passing off” by other entities. Accordingly, the Company may be required to invest significant resources in developing a new brand. Further, the Company may also need to undertake expensive and time-consuming litigation to protect its intellectual property rights and this may have an adverse effect on the business, prospects, results of operations and financial conditions of the Company.

We have sustained operating losses and negative cash flows in the past and may experience earnings declines or operating losses in the future.

We have sustained negative operating net cash flow as on March 31, 2012 mainly due to increase in trade and other receivables by ₹ 480.40 million consequent to increase in revenues from ₹ 2,198.34 million in FY 2011 to ₹ 3,743.53 million in FY 2012.

Cash Flow Details	For the year ended March 31,		
	2014 (₹ in million)	2013 (₹ in million)	2012 (₹ in million)
Net cash flow from operating activities	375.35	405.12	(140.62)
Net cash flow from investing activities	(122.31)	(1,000.15)	(295.27)
Net cash flow from financing activities	(194.42)	621.33	430.63

We cannot assure you that we can sustain profitability or avoid losses in the future. We expect that our operating expenses will increase in the future, as a result of our proposed projects. As a result, any decrease or delay in generating additional income, including sales revenues, could result in substantial operating losses.

RISKS RELATING TO INDIA

A slow-down in economic growth in India and other political and economic factors may adversely affect our business and results of operations.

Majority of our customers are located in India and a significant part of our revenues is derived from the domestic market. We and the market price and liquidity of the Equity Shares, may be affected by foreign exchange rates and controls, interest rates, changes in central government policy, taxation, social and civil unrest and political, economic or other developments in or affecting India. A slowdown in the Indian economy could adversely affect our business, including our ability to implement our strategy.

The Central Government has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. Our business, and the market price and liquidity of the Equity Shares may be affected by interest rates, changes in central government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Conditions outside India, such as slowdowns in the economic growth of other countries or increases in the price of oil, have an impact on the growth of the Indian economy, and government policy may change in response to such conditions.

The Companies Act, 2013 has effected significant changes to the existing Indian company law framework, which may subject us to higher compliance requirements and increase our compliance costs.

A majority of the provisions and rules under the Companies Act, 2013 have recently been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Companies Act, 1956 ceasing to have effect. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital (including provisions in relation to issue of securities on a private placement basis), disclosures in offer document, corporate governance norms, accounting policies and audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. Further, the Companies Act, 2013 imposes greater monetary and other liability on the Company and Directors for any non-compliance. To ensure compliance with the requirements of the Companies Act, 2013, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention.

The Companies Act, 2013 introduced certain additional requirements which do not have corresponding equivalents under the Companies Act, 1956. Accordingly, we may face challenges in interpreting and complying with such provisions due to limited jurisprudence on them. In the event, our interpretation of such provisions of the Companies Act, 2013 differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. Additionally, some of the provisions of the Companies Act, 2013 overlap with other existing laws and regulations (such as the corporate governance norms and insider trading regulations issued by SEBI). Recently, SEBI issued revised corporate governance guidelines which are effective from October 1, 2014, with a few provisions to be applicable from April 1, 2015. Pursuant to the revised guidelines, we will be required to, amongst other things ensure that there is at least one woman director on our Board at all times, establish a vigilance mechanism for directors and employees and reconstitute certain committees in accordance with the revised guidelines. We may face difficulties in complying with any such overlapping requirements. Further, we cannot currently determine the impact of provisions of the Companies Act, 2013 and the revised SEBI corporate governance guidelines, which are yet to come in force. Any increase in our compliance

requirements or in our compliance costs may have an adverse effect on our business and results of operations.

We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could adversely affect our business.

The Competition Act, 2002, as amended (the "**Competition Act**") was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the Competition Commission of India (the "**CCI**") to separate such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition is void and attracts substantial penalties.

Further, any agreement among competitors which directly or indirectly involves determination of purchase or sale prices, limits or controls production, shares the market by way of geographical area or number of subscribers in the relevant market is presumed to have an appreciable adverse effect in the relevant market in India and shall be void. The Competition Act also prohibits abuse of a dominant position by any enterprise. On March 4, 2011, the Government notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the CCI. Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011 (as amended) which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an appreciable adverse effect in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an appreciable adverse effect in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We are not currently party to any outstanding proceedings, nor have we received notice in relation to non-compliance with the Competition Act or the agreements entered into by us. However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations and prospects.

The proposed new taxation system in India could adversely affect our business.

Our development and construction business is subject to the IT Act. The IT Act provides certain tax benefits to companies engaged in infrastructure development and construction operations. We have claimed and will continue to claim certain tax credits under Section 80 IA of the IT Act, relating to Infrastructure Development projects which decrease the effective tax rates compared to the statutory tax rates. There can be no assurance that these tax incentives will continue in the future or that such tax credits shall be held to be available to us.

Political instability and significant changes in the Government's policy on liberalization of the Indian economy could impact our financial results and prospects.

The Government has traditionally exercised and continues to exercise influence over many aspects of the Indian economy. The Government has in recent years sought to implement economic reforms and policies and undertaken initiatives that continue the economic liberalization policies pursued by previous Governments. However, there can be no assurance that these liberalization policies and the political stability will continue in the future. The rate of economic liberalization could change, and laws and policies affecting project construction providers, foreign investment, currency exchange and other matters affecting investment in our securities could change as well. Any significant change in liberalization and deregulation policies could adversely affect business and economic conditions in India generally and our business in particular.

Terrorist attacks, civil disturbances, regional conflicts and other acts of violence in India and abroad may disrupt or otherwise adversely affect the Indian economy, the health of which our business depends on.

India has from time to time experienced social and civil unrest and terrorist attacks. These events could lead to political or economic instability in India. Events of this nature in the future could have a material adverse effect on our ability to

develop our business. As a result, our business, results of operations and financial condition may be adversely affected. India has also experienced social unrest, naxalite violence and communal disturbances in some parts of the country. If such tensions occur in places where we operate or in other parts of the country, leading to overall political and economic instability, it could adversely affect our business, results of operations, financial condition and trading price of our Equity Shares.

The extent and reliability of Indian infrastructure could adversely affect our results of operations and financial condition.

India's physical infrastructure is less developed than that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our business operations, which could have an adverse effect on our results of operations and financial condition.

Our ability to raise foreign capital may be constrained by Indian law.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, if at all. Limitations on raising foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

RISKS RELATING TO EQUITY SHARES AND THE ISSUE

Instability in financial markets could materially and adversely affect our results of operations and financial condition.

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. The global financial turmoil starting in late 2008, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

The trading volume and market price of our Equity Shares may be volatile.

The market price of our Equity Shares may fluctuate as a result of, among others, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key personnel;
- changes in exchange rates;
- changes in the price of oil or gas;
- fluctuations in stock market prices and volume; and

- general economic and stock market conditions.

A decline in any of the factors listed above could adversely affect the price of our Equity Shares.

Investors may have difficulty enforcing foreign judgments against us or our management.

We are a limited liability company incorporated under the laws of India. All of our Directors and key management personnel are residents of India and all our assets and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon us or such persons outside India, or to enforce judgments obtained against such parties outside India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy. For further details, see section “Enforcement of Civil Liabilities” on page 13 of this Placement Document. A party seeking to enforce a foreign judgment in India is required to obtain approval from RBI to execute such a judgment or to repatriate outside India any amount recovered. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law.

There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell Equity Shares at a particular point in time.

The Equity Shares are subject to daily circuit breaker imposed by all stock exchanges in India on all listed companies which does not allow transactions beyond certain volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Stock Exchanges. The percentage limits on our circuit breakers are set by the Stock Exchanges. The Stock Exchanges are not required to inform us of the percentage limit of such circuit breakers and may change it without our knowledge. This circuit breaker effectively limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, there can be no assurance regarding the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at a particular point in time.

The securities of certain of our promoter group and group entities are suspended from trading on BSE and CSE. Any similar suspension on trading in the Equity Shares of the Company may adversely affect a shareholder's ability to alienate their shareholding in the Company.

The securities of certain of our promoter group and group entities, namely Hindusthan Udyog Limited, Bengal Steel Industries Limited, Neptune Exports Limited, Northern Projects Limited, Asutosh Enterprises Limited, Tea Time Limited and Orient International Limited, have been suspended from trading at the BSE and the CSE due to certain alleged non-compliances with the listing agreement entered into by such promoter group and group entities with the BSE and/or the CSE, as the case may be. Further, please note that Neptune Exports Limited was suspended from trading due to the last known address of Neptune Exports Limited not being traceable by BSE. Any similar suspension of trading of the Equity Shares may inhibit the ability of our shareholders to alienate their Equity Shares.

Currency exchange rate fluctuations may have a material adverse effect on the value of Equity Shares, independent of our operating results.

The exchange rate between the Indian Rupee and the U.S. Dollar has changed substantially in recent years and may fluctuate substantially in the future. Fluctuations in the exchange rate between the U.S. Dollar and the Indian Rupee may affect the value of your investment in the Equity Shares. Specifically, if there is a change in relative value of the Indian Rupee to the U.S. Dollar, each of the following values will also be affected:

- The U.S. Dollar equivalent of the Indian Rupee trading price of our Equity Shares in India;
- The U.S. Dollar equivalent of the proceeds that you would receive upon sale in India of any of our Equity Shares; and
- The U.S. Dollar equivalent of cash dividends, if any, on our Equity Shares, which will be paid only in Indian Rupees.

You may be unable to convert Indian Rupee proceeds into U.S. Dollars or any other currency or the rate at which any such conversion could occur could fluctuate. In addition, our market valuation could be seriously harmed by the devaluation of the Indian Rupee, if U.S. investors analyze our value based on the U.S. Dollar equivalent of our financial condition and results of operations. Additionally, you may be subject to exchange rate fluctuations if you seek to

convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India. For historical movements, see the section “Exchange Rate Information” on page 14 of this Placement Document.

Any future issuance of Equity Shares may dilute your shareholdings and sales of the Equity Shares by our Promoters or other major shareholders may adversely affect the trading price of the Equity Shares.

There is no restriction on our ability to issue Equity Shares or our principal shareholders' ability to dispose of their Equity Shares. Any future equity issuances by the Company may lead to the dilution of investors' shareholdings in the Company. In addition, any sales of substantial amounts of the Equity Shares in the secondary market, including by our Promoters or other major shareholders, or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could materially impair future ability of the Company to raise capital through offerings of the Equity Shares. We cannot predict the effect, if any, that the sale of the Equity Shares held by our Promoters or other major shareholders or the availability of these Equity Shares for future sale will have on the market price of the Equity Shares. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of, pledge or otherwise encumber their Equity Shares.

There is no guarantee that the Equity Shares issued pursuant to this Issue will be listed on the BSE and CSE in a timely manner or at all.

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by the BSE and the CSE until after those Equity Shares have been issued and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the BSE and/or CSE. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

An investor will not be able to sell any of the Equity Shares subscribed in this Issue other than on a recognized Indian stock exchange for a period of 12 months from the date of the Issue of Equity Shares.

Pursuant to the SEBI Regulations, for a period of 12 months from the date of the issue of Equity Shares in the Issue, QIBs subscribing to the Equity Shares in this Issue may only sell their Equity Shares on the CSE or BSE and may not enter into any off-market trading in respect of these Equity Shares. We cannot be certain that these restrictions will not have an impact on the price of the Equity Shares.

You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realised on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if STT, has been paid on the transaction. STT will be levied on and collected by an Indian stock exchange on which the equity shares are sold. Any gain realised on the sale of equity shares held for more than 12 months by an Indian resident, which are sold other than on a recognised stock exchange and as a result of which no STT has been paid, will be subject to capital gains tax in India. Further, any gain realised on the sale of equity shares held for a period of 12 months or less will be subject to capital gains tax in India. Capital gains arising from the sale of equity shares will be exempt from taxation in India in cases where an exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of equity shares.

Foreign investors are subject to foreign investment restrictions under Indian laws which limit our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain restrictions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. We cannot assure investors that any required approval from the RBI or any other Government agency can be obtained on any particular terms or at all.

MARKET PRICE INFORMATION

As on date, 7,967,080 of our Equity Shares have been issued, subscribed and fully paid up.

The Company's Equity Shares have been listed on BSE and CSE. However, there are no trades in the Equity Shares of the Company on the platform of CSE since 2006.

On December 10, 2014, the closing price of the Equity Shares on BSE was ₹ 603.50 per Equity Share.

- i) The following tables set forth the reported high, low, average market prices and the trading volumes of the Equity Shares on the BSE on the dates on which such high and low prices were recorded and the total trading volumes for Fiscal Years ended March 31, 2012, March 31, 2013 and March 31, 2014:

Fiscal Year	High (₹)	Date of High	Number of Equity Shares traded on the date of high	Total volume of Equity Shares traded on the date of high (In ₹)	Low (₹)	Date of low	Number of Equity Shares traded on the day of low	Total volume of Equity Shares traded on the date of low (In ₹)	Average price for the year (In ₹)	Total volume of Equity Shares traded in the fiscal year	
										In number	(In ₹)
2012	302.65	February 15, 2012	30,552	88,83,892.00	177.05	June 28, 2011	766	1,36,210.00	209.93	11,30,911	2446,45,661
2013	439.95	August 23, 2012	21,986	95,85,648.00	233.75	April 2, 2012	17,414	40,02,495.00	358.37	22,14,034	8156,72,873
2014	389.75	May 28, 2013	958	3,77,282.00	165.85	November 21, 2013	614	1,02,750.00	245.31	5,64,853	1364,76,734

Notes:

- High, low and average prices are based on the daily closing prices.
 - In case of two days with the same closing price, the date with the higher volume has been chosen.
 - In the case of a year, represents the average of the closing prices on the last day of each month of each year presented.
- ii) The following tables set forth the reported high, low, average market prices and the trading volumes of the Equity Shares on the BSE on the dates on which such high and low prices were recorded and the total volume of Equity Shares traded during each of the last six months:

Month Year	High (In ₹)	Date of High	Number of Equity Shares traded on the date of high	Total volume of Equity Shares traded on the date of high(In ₹)	Low (₹)	Date of low	Number of Equity Shares traded on the day of low	Total volume of Equity Shares traded on the date of low (In ₹)	Average price for the year (In ₹)	Total volume of Equity Shares traded in the month	
										In number	(In ₹)
June, 2014	421.30	June 30, 2014	22,351	92,22,481.00	281.00	June 4, 2014	17,507	49,87,453.00	340.96	1,54,615	537,60,290.00
July, 2014	419.75	July 17, 2014	45,380	193,31,001.00	380.80	July 16, 2014	6,844	26,09,590.00	400.26	2,31,308	937,75,637.00
August, 2014	478.30	August 27, 2014	53,442	252,19,257.00	380.80	August 13, 2014	13,318	51,30,607.00	415.17	5,31,357	2287,54,377.00
September, 2014	613.05	September 29, 2014	62,456	392,62,741.00	454.75	September 4, 2014	8,142	37,18,125.00	543.20	5,81,092	3201,69,534.00
October, 2014	588.35	October 9, 2014	5,234	30,86,338.00	527.60	October 16, 2014	5,775	31,50,644.00	562.26	90,266	514,58,058.00
November, 2014	587.05	November 10, 2014	5,451	31,83,731.00	498.30	November 10, 2014	26,548	135,59,687.00	550.50	139,485	756,97,174.00

Month Year	High (In ₹)	Date of High	Number of Equity Shares traded on	Total volume of Equity Shares traded on the date of	Low (₹)	Date of low	Numbe r of Equity Shares	Total volume of Equity Shares	Aver age price for	Total volume of Equity Shares traded in the month
2014		12, 2014				25, 2014				

Notes:

1. High, low and average prices are based on the daily closing prices.
 2. In case of two days with the same closing price, the date with the higher volume has been chosen.
 3. In case of a month, represents the average of the closing prices of each day of each month presented.
- iii) The following table sets forth the market price on the BSE on September 15, 2014, the first working day following the approval of the Board of Directors for the Issue:

Open (In ₹)	High (In ₹)	Low (In ₹)	Close (In ₹)	Total number of Equity Shares traded	Total volume of Equity Shares traded (In ₹)
580.00	618.90	580.00	591.30	49,386	2,96,38,590

USE OF PROCEEDS

The gross proceeds from this Issue will be ₹ 1,006.92 million.

The net proceeds from this Issue, after deducting fees, commissions and expenses of this Issue, will be approximately ₹ 977.50 million (the “**Net Proceeds**”).

Subject to compliance with applicable laws and regulations, we intend to use the Net Proceeds of this Issue to meet the needs of its growing business (both organic and inorganic in the domestic and global markets), long term working capital requirements, repayment of existing debts as well as for such other corporate purposes including investments in subsidiary companies in India or overseas for their business growth or other requirements in accordance with the policies approved by the Board of Directors and as may be permitted under the applicable laws.

Pending utilization for the purposes described above, we intend to temporarily invest funds in creditworthy instruments, including money market Mutual Funds and deposits with banks and any corporate deposits. Such investments would be in accordance with the investment policies as approved by the Board from time to time and all applicable laws and regulations.

Our Promoters or Directors are not making any contribution either as part of this Issue or separately in furtherance of the objects of this Issue.

CAPITALISATION STATEMENT

The Board of Directors has, at its meeting on September 12, 2014 approved this Issue and the Company's shareholders, pursuant to a resolution passed through voting by postal ballot on October 22, 2014 approved this Issue. Upon the completion of this Issue, the Board of Directors or a committee thereof shall pass a resolution authorising the Allotment of the Equity Shares, pursuant to this Issue.

The following table sets forth our capitalisation as of March 31, 2014 based on our audited consolidated financial statements as of March 31, 2014, and our capitalization as adjusted to reflect the receipt of the net proceeds of this Issue and the application thereof.

This capitalisation table should be read together with the sections "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Financial Statements" on page 53 and 147, respectively of this Placement Document and related notes included elsewhere in this Placement Document.

	(₹ in million)	
	As of March 31, 2014 (Audited)	As adjusted for this Issue
Short term borrowings:		
Secured	735.41	735.41
Unsecured	61.28	61.28
Long term borrowings*:		
Secured	641.98	641.98
Unsecured	151.50	151.50
Shareholders' funds:		
Share capital	79.67	97.67
Securities premium	-	988.92
Reserves and surplus (excluding Securities Premium account)	1,282.69	1,282.69
Money received against issue of warrant	-	-
Total Shareholders' funds	1,362.36	2,369.28
Total capitalization	2,952.53	3,959.45

**Excludes current maturities of long term borrowings of ₹ 356.79 million as on March 31, 2014 on a consolidated basis which is included under the head other current liabilities in the section "Financial Statements" on page 147 of this Placement Document.*

Note: Share capital and reserves and surplus (adjusted) and post Issue capitalization can be determined only on the conclusion of the placement of Equity Shares pursuant to the Issue.

CAPITAL STRUCTURE

The Equity Share capital of the Company as at the date of this Placement Document is set forth below:

(In ₹ in million except share data)

Aggregate value at face value	
A. AUTHORIZED SHARE CAPITAL	
9,860,000 Equity Shares	98.60
14,000, 11% redeemable cumulative preference shares of ₹ 100/- each	1.40
B. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE	
Issued, subscribed and paid up share capital:	
7,967,080 Equity Shares	79.67
C. PRESENT ISSUE IN TERMS OF THIS PLACEMENT DOCUMENT	
1,800,000 Equity Shares aggregating to ₹ 1,006.92 million ⁽¹⁾	18.00
D. PAID-UP CAPITAL AFTER THIS ISSUE	
9,767,080 Equity Shares	97.67
E. SECURITIES PREMIUM ACCOUNT	
Before this Issue	-
After this Issue	988.92

Note:

- (1) This Issue has been approved by the Board of Directors on September 12, 2014 and approved by the shareholders of the Company through postal ballot resolution dated October 22, 2014.

1) Equity Share Capital History of the Company

The history of the Equity Share capital of the Company is provided in the following table:

Date of allotment*	No of Equity Shares Allotted	No. of Equity Shares (Cumulative)	Face Value (In ₹)	Issue price per Equity Share (In ₹)	Consideration
August 26, 1952	300	300	100	100	Cash
December 16, 1982	30,300	80,800	100	100	Cash
Pursuant to resolution dated December 18, 1984 passed by the shareholders of the Company, one equity share of face value of ₹ 100 each of the Company was sub divided into 10 Equity Shares of face value of ₹ 10 each.					
May 20, 1985	8,92,000	17,00,000	10	10	Cash
May 10, 1988	12,75,000	29,75,310	10	10	Cash
April 27, 1992	9,91,770	39,67,080	10	10	Cash
March 31, 2000	40,00,000	79,67,080	10	10	Cash

*Note: Copies of resolutions along with relevant form filings for allotment of Equity Shares for the period prior to December 16, 1982 were not traceable, other than details of allotment of 300 equity shares of face value of ₹ 100 each which were subscribed on August 26, 1952 pursuant to subscription to Memorandum of Association of the Company. We have not seen any filings or any documents in connection with allotment of 50, 200 equity shares of face value of ₹ 100 each and 310 equity shares of face value of ₹ 10 each by the Company. Please see “Risk Factor – Some of our corporate records relating to allotments of our equity shares in the past are not traceable” in the section “Risk Factors” on page 31 of this Placement Document.

- 2) The Company has not made any allotment of Equity Shares in the last one year preceding the date of filing of this Placement Document.

DIVIDEND POLICY

Dividend Policy

The declaration and payment of dividend will be recommended by the Board of Directors and approved by the shareholders at their discretion and will depend on the Company's revenues, cash flows, financial condition (including capital position) and other factors. The declaration and payment of equity dividend would be governed by the applicable provisions of the Companies Act and Articles of Association of the Company.

The following table details the dividend declared by the Company on the Equity Shares for the Fiscals 2012, 2013 and 2014.

Fiscal Year	Dividend per Equity Share	Total Amount of Dividend ⁽¹⁾
	(In ₹)	(In ₹ million)
2012	2.00	15.93
2013	2.00	15.93
2014	2.00	15.93

Notes:

(1) Dividends excluding corporate dividend tax.

For a summary of certain Indian consequences of dividend distributions to shareholders, see the section “Statement of Tax Benefits” on page 131 of this Placement Document.

Further, the amounts paid as dividends in the past are not necessarily indicative of our dividend policy or dividend amounts, if any, in the future.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

We discuss below our historical results of operations and financial condition as of and for the years ended March 31, 2012, 2013 and 2014 and the six month period ended September 30, 2014, and our assessment of the factors that may affect our prospects and performance in future periods. You should read the following discussion together with our audited consolidated financial statements as of and for the years ended March 31, 2012, 2013 and 2014 and our unaudited but reviewed standalone financial statements as of and for the six month period ended September 30, 2014. We have prepared our financial statements in accordance with Indian GAAP and in compliance with the Accounting Standards issued by the ICAI, which may differ in certain significant respects from generally accepted accounting principles in other countries. Accordingly, the degree to which the financial statements in this Placement Document will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian accounting practices. This discussion and analysis contains forward -looking statements that reflect our current views with respect to future events and our financial performance. Our actual results may differ materially from those anticipated in these forward - looking statements as a result of any number of factors, including those set forth in this section and in the sections "Risk Factors" and "Forward-Looking Statements" on pages 31 and 11, respectively of this Placement Document. For purposes of the discussion below, the term "FY2012" refers to the year ended March 31, 2012; the term "FY2013" refers to the year ended March 31, 2013; the term "FY2014" refers to the year ended March 31, 2014; and the term "H12015" refers to the six month period ended September 30, 2014. Figures have been converted into 'millions'.

Overview

We are one of the leading Indian pump manufacturers and provider of flow control solutions and related services to the irrigation, municipality and water utility sector, thermal power generation, infrastructure sector and industrial sector in India and overseas. We have participated in a number of large-scale infrastructure projects in India, including providing pumps and ancillary equipment to various state run thermal power projects in India.

Since the incorporation in the year 1952, our Company has developed into a vertically integrated provider of a broad range of flow control solutions to the irrigation, municipality and water utility sector, thermal power generation and infrastructure sectors in India supported by our R&D base. We have grown through organic and acquisitive growth. At present, our strategy is focused on organic growth based on our existing assets, as well as selective, value-creating acquisitions. By virtue of organic growth and the consolidation of a number of enterprises into our Company, most of which have been key providers of pumps and flow control solutions, we have an operation base in India and certain other countries, including South Africa, Australia, United Kingdom, and Thailand. This installed base provides a natural market for our maintenance services and aftermarket support, as well as for replacement equipment and spare parts for upgrade and modernisation.

We provide pumps and integrated flow control solutions through three business verticals:

- *Engineered pumps:* The engineered pumps division designs, engineers, manufactures, delivers and installs engineered pumps and related products for use primarily in the irrigation, municipality and water utility sector and thermal power generation and infrastructure and other industrial sectors. In the engineered pump division, we manufacture range of vertical pumps like vertical turbine, vertical mixed flow and vertical axial flow (propeller) pumps which offer specialized water handling solutions to the conventional power generation and the industrial sector. The engineered pumps unit's principal products include pumps built to standard specifications, customised pumps and pump equipment and integrated pump systems. We provide specialised water handling solutions in the irrigation, municipality and water utility sector, thermal power generation and infrastructure and other industrial sectors for large pumps in the engineered pumps division. We manufacture and supply pumps under the engineered pump division through our manufacturing facilities located at Kolkata. In the engineered pump division, we have a testing facility to test pumps upto capacity of 40,000 m³/hour. The engineered pumps division also has specialised fabrication areas for stainless steel welding. As our Company has developed on a consolidated basis, it has increasingly focused on products and services in the pump sector, particularly on bespoke, highly engineered pumping equipment and integrated pump systems built on a turn-key basis.
- *Conventional pump division:* This division supplies centrifugal pumps which are largely utilised in irrigation and water utility and other industrial sectors. The horizontal pumps range covers large engineered horizontal split case and volute pumps to the smaller end suction pumps. We provide comprehensive range of centrifugal pumps in irrigation and water utility sectors for large pumps in the conventional pump division. In the conventional

pump division, we have fully automatic machining centres for large casings/ impellers and dynamic balancing setups for rotating assemblies.

- **EPC:** The EPC division designs, engineers, project manages and constructs water projects, including on a turnkey basis, for customers in the irrigation, municipality and water utility sector, thermal power generation and infrastructure and other industrial sectors. We offer concept to commissioning solutions for water handling projects covering the complete domain of hydraulic/civil/mechanical/electrical and instrumentation engineering. We have completed several assignments of providing solutions under the EPC division to the irrigation, municipality and water utility sector, thermal power generation and infrastructure sectors.

Our revenue for FY 2014, FY 2013 and FY 2012 amounted to ₹ 5,205.33 million, ₹ 5,183.66 million and ₹ 3,743.53 million, respectively, and for the six months period ended September 30, 2014 on a standalone basis, amounted to ₹ 1,190.10 million.

Significant Factors Affecting our Business, Financial Condition and Results of Operations

We outline below a number of factors which have had important effects on our results of operations and which we expect will continue to impact our financial performance in the future.

General economic condition and the condition, performance of the power generation, industrial, irrigation and infrastructure sectors and Government policies in India

We derive substantially all of our revenue from sale of pumps, spare part of pumps, castings, accessories of pumps to the irrigation, municipality and water utility sector, thermal power generation, infrastructure and industrial sectors in India. Accordingly, we are heavily dependent on sustained economic development in the regions that we operate in and government policies relating to such sectors. It is also significantly dependent on budgetary allocations made by Central and State Governments for these sectors as well as funding provided by financial institutions for projects undertaken in such sectors. Investment by the private sector in such projects is dependent on the potential returns from such projects and is therefore linked to government policies relating to private sector participation and sharing of risks and returns from such projects. We believe that the Central and State Governments' focus on, and sustained increases in budgetary allocation for, irrigation, municipality and water utility sector, thermal power generation, infrastructure and industrial sectors, and the development of comprehensive policies that encourage greater private sector participation and funding for such projects from financial institutions, should further result in demand for supply of pumps in these sectors in India. Since we intend to continue to focus on the supply of pumps and integrated flow control solutions, macroeconomic factors in India relating to the power generation, industrial, irrigation and infrastructure sectors will have a significant impact on our prospects and results of operations. As demand for supply of our products is driven by increases in agriculture and industry, any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely impact our business and financial performance.

Cost of raw materials

The cost of raw materials and other components, accounted for 63.31%, 55.56% and 53.17% of our revenue from operations in FY2012, FY2013 and FY2014. A significant portion of our cost of raw materials and components consumed comprise cost of metals like steel, copper and bronze, motors, engines and starters, spare parts and steel shafting and castings. The metal prices are highly volatile. In view of increasing cost of materials in India due to inflation and competitive pressures, we may require to pay more which may result in increase in our cost of materials cost. To the extent that we are unable to pass fluctuations in raw material prices on to our customers, our margins may be positively or negatively affected by fluctuations in raw material prices. However, as price adjustments occur periodically, we are not able to immediately pass increases or decreases on to our customers. Moreover, even if we are able to pass through raw material costs to our customers, an increase in raw material prices may result in increased prices of our products, which may in turn result in decrease in demand for our products and services. As on date we do not have any outstanding forward exchange contracts. As on March 31, 2014, our total unhedged foreign currency receivables amounted to ₹ 225 million, while our total unhedged foreign currency payables amounted to ₹ 175.87 million and the total value of unhedged foreign currency loans amounted to ₹ 121.16 million, on a standalone basis.

Competition

We face significant competition from large number of companies who are in business of water handling from supply of pumps to turnkey project execution. We compete with domestic and leading international pump manufacturers. The

contracts for supply of water flowing solutions are awarded on a certain pre-qualification criteria which include experience in the industry, expertise and technical know-how to manufacture and supply such products. Some of our competitors are larger than us, have stronger financial resources or a more experienced management team, or have stronger engineering capabilities in executing technically complex projects. There is a price bidding mechanism on the basis of which governmental contracts are awarded for supply of water flowing solutions. We may not have higher margins on supply of our products due to such competitive bidding process. We also face competition from various unorganized segments in the pump industry which accounts for a significant part of the overall industry.

Significant Accounting Policies

a) Accounting Convention

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

b) Fixed Assets and Depreciation

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

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

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

No depreciation is provided on Freehold Land. Value of Leasehold Land is amortized over the period of lease.

In respect of other assets, depreciation is provided in the financial statements on written down value method in respect of assets acquired upto 31st December 1969 and on straight-line method in respect of other assets, at the rates prescribed in Schedule XIV to the Companies Act, 1956.

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

Tangible Fixed Assets of Subsidiary Companies are depreciated using straight-line method over their expected useful lives as per prevalent policies of the respective Companies.

The excess of the cost to the Company of its investments in its subsidiaries over its share of Capital and Reserves of the Subsidiaries are treated as Goodwill. The Goodwill is disclosed as an asset in the consolidated Balance Sheet.

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

c) Impairment of Assets

The Company identifies impairable assets at the year end in accordance with the guiding principles of Accounting Standard – 28 issued by The Institute of Chartered Accountants of India, for the purposes of arriving at impairment loss thereon, being the difference in the book value and the recoverable value of the relevant assets. Impairment loss, when crystallizes, are charged against revenues for the year.

d) Leasing

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

Leases of assets under which all the risks and benefits of ownership are effectively retained by the Lessor are classified as Operating Leases. Rentals under operating leases are charged to the Statement of Profit and Loss on a straight line basis over the lease term.

e) Investments

Non Current Investments are stated at cost unless there is a permanent diminution in value.

f) Inventories

Finished Goods and Components are valued at cost (NET of CENVAT Credit) or net realizable value, whichever is lower. Other inventories are valued at cost or net realizable value, whichever is lower. Cost is determined on weighted average basis and includes expenditure incurred in the normal course of business in bringing stocks and finished goods to their location and condition including appropriate overheads wherever applicable.

Cost of own manufactured components is determined by considering raw material cost and proportionate share of labour and overheads.

Cost of Work-in-progress is determined by considering raw material cost plus labour and overheads apportioned on an estimated basis depending upon the stages of completion, except in case of a subsidiary company where it is valued at cost or realizable value whichever is lower.

g) Research and development expenses

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

h) Foreign currency transactions

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

Non-monetary foreign currency items are carried at cost.

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

i) Retirement benefits

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

Accrued liability in respect of retirement gratuities are actuarially ascertained at the yearend as per the requirements of Accounting Standard – 15 (Revised) on Employee Benefits. The Company has created a Gratuity Fund under Group Gratuity Scheme of L.I.C.I. under which yearly premium is being paid to take care of current as well as past liability. The annual premium is charged to the Financial Statements. Accrued liability in respect of leave encashment benefits on retirement is actuarially ascertained at the yearend as per the requirements of Accounting Standard – 15 (Revised) on Employee Benefit and provided for in the Financial Statements.

A Subsidiary Company operates a defined contribution pension scheme and the pension charge represents the amount payable by the Company to the fund in respect of the year.

j) Government grants

In case of a Subsidiary Company, Government Grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Profit and Loss over the expected useful lives of the assets concerned.

Other grants are credited to the Statement of Profit and Loss as the related expenditure is incurred.

k) Income

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

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

l) Financial derivatives and hedging transactions

Financial derivatives and hedging contracts are accounted on the date of their settlement and realized gain/incurred loss in respect of contracts is recognized in the Statement of Profit and Loss along with the underlying transactions.

m) Borrowing cost

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

n) Taxes on income

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the applicable Income Tax Act. Deferred tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is calculated at current statutory income tax rates as applicable and is recognized on timing difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred tax assets subject to consideration to prudence are recognized and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

o) Provisions, contingent liabilities and contingent assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the Financial Statements.

Cost of Product Warranties including provisions are included under the head “Miscellaneous Expenses” which includes cost of raw materials and components for free replacement of spares and other overheads.

p) Principles of consolidation

The Consolidated Financial Statements relate to WPIL limited (the Company), its Subsidiaries and Joint Ventures (the Group). The Consolidated Financial Statements are in conformity with Accounting Standard 21 on “Consolidated Financial Statements” and Accounting Standard – 27 on “Financial Reporting of Interests in Joint Ventures” as notified under the Companies (Accounting Standards) Rules, 2006 and are prepared as set out below:-

- (i) The Financial Statements of the Company and its Subsidiaries are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after adjustments/elimination of inter-company balances, transactions including unrealized profit etc.

- (ii) The Consolidated Financial Statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances in all material respect and are presented to the extent practicable and possible, in the same manner as the Company's separate Financial Statements.
- (iii) The difference between the costs of investments in the Subsidiaries, over its portion of equity at the time of acquisition of shares is recognized in the Consolidated Financial Statements as Goodwill or Capital Reserve as the case maybe.
- (iv) The translation of the foreign currencies into Indian Rupees (reporting currency) is performed for equity in the foreign subsidiaries and joint venture, assets and liabilities using the closing exchange rate at the Balance Sheet date and for revenues, costs and expenses using average exchange rates prevailing during the period. The resultant exchange difference arising out of such transactions is recognized as part of equity (Foreign Exchange Translation Reserve Account) by the Company until the disposal of investment.
- (v) Interest in Joint Ventures is reported using proportionate consolidation method in the Consolidated Financial Statements. A separate line item is added in the Consolidated Financial Statements for proportionate share of assets, liabilities, income and expenses.

Changes in Accounting Policies

There has been no change in the accounting policies of the Company in the last three Fiscal Years. With effect from April 1, 2014, for the purpose of calculation of depreciation, the Company has adopted the useful life of fixed assets as per Schedule II of the Companies Act, 2013 and the effect of such change is depreciation for the period during April 1, 2014 to September 30, 2014 is higher by ₹ 3.72 million and profits and reserves is lower by similar amount.

Results of Operations

The following table sets forth certain data from our statement of profit and loss, in absolute terms and as a percentage of our total revenues, on a consolidated basis:

	For the year ended March 31					
	2014		2013		2012	
	(₹ million)	% of Total revenue	(₹ million)	% of Total revenue	(₹ million)	% of Total revenue
Revenue from Operations	5,205.33	101.50	5,183.66	97.09	3,743.53	100.27
Less: Excise Duty	94.82	1.85	88.01	1.65	60.92	1.63
Other Income	17.78	0.35	243.41	4.56	50.78	1.36
Total Revenue	5,128.29	100.00	5,339.05	100.00	3,733.39	100.00
Expenses*						
Cost of raw materials and components consumed	2,726.80	53.17	2,966.64	55.56	2,363.75	63.31
Changes in Inventories of Finished Goods and Work in Progress	(145.68)	(2.84)	(124.86)	(2.34)	(47.58)	(1.27)
Employee Benefits Expenses	818.16	15.95	776.28	14.54	360.37	9.65
Finance Cost	230.12	4.49	193.84	3.63	143.10	3.83
Depreciation	67.70	1.32	67.60	1.27	25.10	0.67
Less: Transferred from Revaluation Reserve	0.22	-	0.22	-	1.41	0.04
Other Expenses	895.22	17.46	778.76	14.59	554.06	14.84
	4,592.11	89.54	4,658.02	87.24	3,397.39	91.00
Profit Before Tax	536.18	10.46	681.02	12.76	336.00	9.00
Tax Expenses						
Current Tax	119.30	2.33	113.91	2.13	92.70	2.48
Tax Adjustment of	1.36	0.03	7.60	0.14	0.65	0.02

	For the year ended March 31					
	2014		2013		2012	
	(₹ million)	% of Total revenue	(₹ million)	% of Total revenue	(₹ million)	% of Total revenue
previous year						
Deferred Tax	17.32	0.34	7.44	0.14	4.56	0.12
Tax Expense of Joint Venture	11.39	0.22	6.00	0.11	8.66	0.23
Profit after tax before share of Minority Interests for the year	386.80	7.54	546.08	10.23	229.43	6.15
Less: Minority Interests	84.65	1.65	136.51	2.56	5.63	0.15
Profit for the year	302.15	5.89	409.57	7.67	223.80	5.99
Earnings per share (Face value of Rs 10/- each)						
a) Basic	37.92		51.41		28.09	
b) Diluted	37.92		51.41		28.09	

**Note: Cost of raw materials for FY 2013 was regrouped during FY 2014 by regrouping of expenses incurred on spares & others amounting to ₹ 104.73 million under the head “cost of raw materials” to salaries and wages under the head “employee Benefit expenses” and expenses incurred on steel/alloy steel castings in FY2013 was regrouped during FY2014 by regrouping of expenses incurred on steel/alloy steel castings amounting to ₹ 496.41million under the head “cost of raw materials” to spares and others under the head “cost of raw materials” itself.*

Principal Components of our Statement of Profit and Loss Account:

Revenues

Revenue from operations

We derive substantially all of our total revenue from our revenue from operations, which consists of (i) sale of products comprising sale of pumps, spare part of pumps, castings, accessories of pumps and others; (ii) sale of services; and (iii) other operating revenues. The largest component of our revenue from operations is our sale of products, which accounted for 94.53%, 95.53% and 95.44% of our revenue from operations in FY2012, FY2013 and FY2014.

Other Income

In addition to our revenue from operations, we derive a small amount of other income, which consists of (i) interest income; (ii) claims and compensations received; (iii) profit on sale of fixed assets and (iv) other non-operating income which includes foreign exchange gain, sundry income, liability no longer required, written back, government grant amortized and miscellaneous income.

Expenses

Our expenses consist of the following:

- (i) cost of raw materials and components consumed, which primarily consists costs for metal like pig iron / ferrous scrap, cables & winding wires, pipes & tubes, steel, copper & bronze, spare part and others, valves, motors, engines and starters, M.S. sheets, steel and alloy steel castings and steel shafting;
- (ii) finance costs, which consist primarily of interest expenses and other finance costs and expenses on account of foreign currency translation and transactions;
- (iii) depreciation and amortization expenses relating to our tangible and intangible assets;
- (iv) Employee benefit expenses, which consist of salaries & wages, contribution to provident, pension & other funds, staff welfare expense and exceptional redundancy expenses; and

- (v) Other expenses consist of consumption of stores & spare parts, excise duty, power & fuel, erection expenses, rent, rates & taxes, postage & telephone, repairs to machinery, repairs to buildings, repairs to others, insurance, travelling expenses, loss on sale of fixed assets, professional & consultancy fees, carriage outward, advertisement, claims & compensations, bad debts written off, dealer discount, commission to other selling agents, service charges, director fees, commission to directors, auditors remuneration and miscellaneous expenses.

Taxation

Taxes majorly comprise current, deferred taxes and tax expenses of joint venture. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the applicable Income Tax Act. Deferred tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Results of Operations for FY2014 compared to FY2013

Revenue

Our total revenue marginally decreased by 3.95 % from ₹ 5,339.05 million in FY2013 to ₹ 5,128.29 million in FY2014. This decrease was due to 92.70% decrease in other income from ₹ 243.41 million in FY2013 to ₹ 17.78 million in FY2014 which was on account of decrease in sundry income by 99.16 % from ₹ 239.41 million in FY 2013 to ₹ 2.01 million in FY 2014 and also there was no substantial increase in our revenues from operations. Our revenue from operations increased only marginally by 0.42% from ₹ 5,183.66 million in FY 2013 to ₹ 5,205.33 million in FY 2014. There was no substantial increase in our revenues from operations on account of global economic slowdown leading to insignificant investments by our customers in the projects undertaken by them which in turn resulted in inconsequential increase in demand for our products.

Expenses

Our total expenses decreased by 1.41%, from ₹ 4,658.02 million in FY2013 to ₹ 4,592.11 million in FY2014. This decrease was primarily due to 8.08 % decrease in expenses incurred on cost of raw materials and components consumed from ₹ 2,966.64 million in FY2013 to ₹ 2,726.80 million in FY2014. This decrease in expenses was principally attributable to reduction in cost of sales on account of insignificant demand for our products in Fiscal 2014 due to global economic slowdown.

The cost of raw materials for FY 2013 was regrouped during FY 2014 by regrouping of certain expenses. For further details please refer note under the heading “- Results of Operations” on page 60 of this Placement Document.

As a percentage of our total revenue, our total expenses increased to 89.54% in FY2014 as compared to 87.24 % in FY2013.

Cost of raw materials and components consumed

Cost of raw material and components consumed decreased by 8.08 % from ₹ 2,966.64 million in FY2013 to ₹ 2,726.80 million in FY2014 on account of decrease in expenses incurred on (i) steel/alloy steel castings from ₹ 191.13 million in FY 2013 to ₹ 132.75 million in FY 2014, (ii) decrease in expenses incurred on spare & others from ₹ 1,914.76 million in FY 2013 to ₹ 1,712.31 million in FY 2014 (iii) cast iron castings from ₹ 81.03 million in FY 2013 to ₹ 56.45 million in FY 2014, (iv) valves from ₹ 78.69 million in FY 2013 to ₹ 28.98 million in FY 2014, (iv) bronze and other metal ingots from ₹ 18.08 million in FY 2013 to ₹ 16.90 million in FY 2014, (v) pipes and tubes from ₹ 79.00 million in FY 2013 to ₹ 31.58 million in FY 2014, and (vi) pig iron/ferrous scrap from ₹ 33.80 million in FY 2013 to ₹ 24.19 million in FY 2014.

Please note that the cost of raw materials for FY 2013 was regrouped during FY 2014 by regrouping of certain expenses. For further details please refer note under the heading “- Results of Operations” on page 60 of this Placement Document.

As a percentage of our total revenue, the cost of raw materials and components consumed decreased to 53.18% in FY2014 as compared to 55.56% in FY2013.

Employee benefit expenses

There has been increase in employee benefits expenses by 5.39% from ₹ 776.28 million in FY2013 to ₹ 818.16 million in FY2014. The increase in employee benefit expenses was primarily due to normal annual increase in salaries & wages of our key managerial personnel and employees.

The cost of raw materials for FY 2013 were regrouped during FY 2014 by regrouping of incurred on spares & others under the head “cost of raw materials” to salaries and wages under the head “employee Benefit expenses”. For further details please refer note under the heading “- Results of Operations” on page 60 of this Placement Document.

Finance Costs

Our finance costs increased by 18.72% from ₹ 193.84 million in FY 2013 to ₹ 230.12 million in FY 2014 due to increase in interest expenses and other finance costs increased by 24.79% from ₹ 165.87 million in FY 2013 to ₹ 207.00 million in FY 2014.

Profit before tax

Primarily as a result of the foregoing, our profit before tax decreased by 21.27% from ₹ 681.02 million in FY2013 to ₹ 536.18 million in FY 2014.

Tax expenses

Our tax expenses increased from ₹ 134.94 million in FY 2013 to ₹ 149.37 million in FY 2014. On February 20, 2012, our Company through WPIL International Pte Limited, Singapore acquired pump business of PSV Holdings Limited comprising 100% shareholding in APE Pumps Private Limited, Mather & Platt (South Africa) Private Limited and PSV Zambia Limited. Pursuant to the said acquisitions, we received dividend in Fiscal 2013 which is a non-taxable sundry income and thereby our tax expenses incurred in FY 2013 were comparatively less than tax expenses in FY 2014.

Profit for the period

As a result of the foregoing, our profit for the year decreased by 26.23% from ₹ 409.57 million in FY 2013 to ₹ 302.15 million in FY 2014.

FY2013 compared to FY2012

Revenue

Our total revenue increased by 43.00% from ₹ 3,733.39 million in FY2012 to ₹ 5,339.05 million in FY2013. This increase was primarily due to 38.47% increase in revenue from operations from ₹ 3,743.53 million in FY2012 to ₹ 5,183.66 million in FY2013. The increase in revenues from operations in Fiscal 2013 was primarily on account of consolidation of revenues of (i) WPIL SA Holdings (Proprietary) Limited, South Africa, acquired in FY 2013 by WPIL International Pte Limited and (ii) Mody Industries (Foreign Collaboration) Private Limited, acquired by our Company in FY 2013. In addition, the results of operations of Mathers Foundry Limited, which was acquired on July 6, 2011 were not consolidated into the annual consolidated financial statements in the first quarter of FY 2012.

Our revenues from (i) sale of castings increased by 111.88% from ₹ 488.58 million in FY 2012 to ₹ 1035.19 million in FY 2013, which was on account of sale of castings from Mathers Foundry Limited was only attributable for period of seven months in Fiscal 2012, (ii) sale of other products increased by 1633.42% from ₹ 71.29 million in FY 2012 to ₹ 1235.83 million in FY 2013 on account of sales of products by WPIL SA Holdings (Proprietary) Limited, South Africa and Mody Industries (Foreign Collaboration) Private Limited, which were grouped under the head “sale of other products” due to absence of specific information, (iii) sale of spare parts and pumps increased by 40.94 % from ₹ 441.04 million in FY 2012 to ₹ 621.61 million in FY 2013, and (iv) sale of pumps increased by 3.65% from ₹911.68 million in FY 2012 to ₹ 944.95 million in FY 2013.

Our revenues from other income also increased by 379.38% from ₹ 50.78 million in FY 2012 to ₹ 243.41 million in FY 2013 primarily on account of increase in sundry income by 17,464.47% from ₹ 1.36 million in FY 2012 to ₹ 239.41 million in FY 2013 due to dividend received in FY 2013 pursuant to the acquisitions of 100% shareholding in APE

Pumps Private Limited, Mather & Platt (South Africa) Private Limited and PSV Zambia Limited by WPIL International Pte Limited, Singapore, increase in interest income by 105.68% from ₹ 3.55 million in FY 2012 to ₹ 7.31 million in FY 2013 and increase in share of joint ventures by 125.06% from ₹ 2.73 million in FY 2012 to ₹ 6.15 million in FY 2013.

Expenses

Our total expenses increased by 37.10%, from ₹ 3,397.39 million in FY2012 to ₹ 4,658.02 million in FY2013. This increase was primarily due to 25.51% increase in expenses incurred on cost of raw materials and components consumed from ₹ 2,363.75 million in FY2012 to ₹ 3,071.37 million in FY2013 which was on account of increase in costs of steel/alloy steel castings. The increase in total expenses in Fiscal 2013 is attributable to cost of raw materials incurred by WPIL SA Holdings (Proprietary) Limited, South Africa, and Mody Industries (Foreign Collaboration) Private Limited, and cost of castings incurred by Mathers Foundry Limited.

The cost of raw materials for FY 2013 was regrouped during FY 2014 by regrouping of certain expenses. For further details please refer note under the heading “- Results of Operations” on page 60 of this Placement Document.

As a percentage of our total revenue, our total expenses decreased to 87.24% in FY2013 as compared to 91.00% in FY2012.

Cost of raw materials and components consumed

Cost of raw material and components consumed increased by 29.94% from ₹ 2,363.75 million in FY2012 to ₹ 3,071.37 million in FY2013 on account of increase in expenses incurred on (i) spare and others from ₹ 1,036.33 million in FY 2012 to ₹ 1,523.08 million in FY 2013 on account of cost of raw materials incurred by WPIL SA Holdings (Proprietary) Limited, South Africa and Mody Industries (Foreign Collaboration) Private Limited, which were grouped under the head “spare and others” due to absence of specific information, (ii) steel/alloy steel castings from ₹ 353.42 million in FY 2012 to ₹ 687.54 million in FY 2013 primarily on account of clubbing of cost of castings incurred by Mather Foundry Limited in FY 2012 was only for period of seven months as compared to FY 2013, (iii) C.I. castings from ₹ 49.46 million in FY 2012 to ₹ 81.03 million in FY 2013, (iv) valves from ₹ 73.06 million in FY 2012 to ₹ 78.70 million in FY 2013, (v) steel shafting from ₹ 95.18 million in FY 2012 to ₹ 96.50 million in FY 2013, (vi) pipes and tubes from ₹ 44.32 million in FY 2012 to ₹ 79.00 million in FY 2013, (vii) cable and winding wires from ₹ 9.33 million in FY 2012 to ₹ 19.02 million in FY 2013 and (viii) pig iron/ferrous scrap from ₹ 32.46 million in FY 2012 to ₹ 33.80 million in FY 2013.

The cost of raw materials for FY 2013 was regrouped during FY 2014 by regrouping of certain expenses. For further details please refer note under the heading “- Results of Operations” on page 60 of this Placement Document.

As a percentage of our total revenue, the cost of raw materials and components consumed decreased to 57.53% in FY2013 as compared to 63.31% in FY2012. Please note that the cost of raw materials for FY 2013 was regrouped during FY 2014 by regrouping of certain expenses. For further details please refer note under the heading “- Results of Operations” on page 60 of this Placement Document.

Employee benefit expenses

Employee benefit expenses increased by 86.35% from ₹ 360.37 million in FY 2012 to ₹ 671.55 million in FY 2013 on account of increase in expenses incurred on (i) salaries and wages from ₹ 301.37 million in FY 2012 to ₹ 566.05 million in FY 2013, (ii) contribution to provident, pension and other funds from ₹ 16.37 million in FY 2012 to ₹ 28.26 million in FY 2013, (iii) staff welfare expenses from ₹ 16.36 million in FY 2012 to ₹ 50.36 million in FY 2013, and (iv) share of joint ventures from ₹ 23.84 million in FY 2012 to ₹ 24.59 million in FY 2013.

The cost of raw materials for FY 2013 were regrouped during FY 2014 by regrouping of incurred on spares & others under the head “cost of raw materials” to salaries and wages under the head “employee Benefit expenses”. For further details please refer note under the heading “- Results of Operations” on page 60 of this Placement Document.

Finance cost

Finance cost increased by 35.45% from ₹ 143.10 million in FY 2012 to ₹ 193.84 million in FY 2013 on account of increase in interest expense from ₹ 92.38 million in FY 2012 to ₹ 139.86 million in FY 2013 due to cost incurred in acquisition of WPIL SA Holdings (Proprietary) Limited, South Africa and increase in loss incurred on foreign currency

translation and transactions from ₹ 18.28 million in FY 2012 to ₹ 27.75 million in FY 2013.

Other expenses

Our other expenses increased by 40.55% from ₹ 554.06 million in FY 2012 to ₹ 778.76 million in FY 2013 primarily on account of increase in expenses incurred on (i) consumption of stores and spare parts from ₹ 53.85 million in FY 2012 to ₹ 70.44 million in FY 2013, (ii) power and fuel from ₹ 60.67 million in FY 2012 to ₹ 108.29 million in FY 2013, (iii) rent expenses from ₹ 14.55 million in FY 2012 to ₹ 35.91 million in FY 2013, (iv) rates and taxes from ₹ 17.40 million in FY 2012 to ₹ 42.50 million in FY 2013, (v) repairs to machinery from ₹ 17.84 million in FY 2012 to ₹ 37.23 million in FY 2013, (vi) professional and consultancy fees from ₹ 51.62 million in FY 2012 to ₹ 63.73 million in FY 2013, (vii) share of joint ventures from ₹ 26.99 million in FY 2012 to ₹ 42.13 million in FY 2013 and (viii) miscellaneous expenses from ₹ 54.34 million in FY 2012 to ₹ 109.85 million in FY 2013.

Profit before tax

Primarily as a result of the foregoing, our profit before tax increased by 102.69% from ₹ 336.00 million in FY2012 to ₹ 681.02 million in FY 2013. Also, we received dividend in FY 2013 pursuant to the acquisitions of 100% shareholding in APE Pumps Private Limited, Mather & Platt (South Africa) Private Limited and PSV Zambia Limited by WPIL International Pte Limited, Singapore.

Tax expenses

Our tax expenses increased from ₹ 106.56 million in FY 2012 to ₹ 134.94 million in FY 2013 due to increase in profit before tax.

Profit for the period

As a result of the foregoing, our profit for the year increased by 83.01% from ₹ 223.80 million in FY 2012 to ₹ 409.57 million in FY 2013.

Net Cash Flows

The following table sets forth certain data from our cash flow statement:

Cash Flow Date	For the year ended March 31,		
	2014 (₹ in million)	2013 (₹ in million)	2012 (₹ in million)
Net cash flow from operating activities	375.35	405.12	(140.62)
Net cash flow from investing activities	(122.31)	(1,000.15)	(295.27)
Net cash flow from financing activities	(194.42)	621.33	430.63
Net increase/ (decrease) in cash and cash equivalents	58.62	26.30	(5.26)
Cash and cash equivalents at beginning of the year	124.85	79.70	10.72
Cash and cash equivalent added on consolidation	-	18.86	74.23
Cash and cash equivalents at the end of the year	183.47	124.85	79.70

Cash Flows (Used in)/ Generated from Operating Activities

Our net cash generated from operating activities consists of net profit before tax and extraordinary items, as adjusted for (i) (profit)/loss on sale of fixed assets; (ii) impact of foreign exchange translation (net); (iii) depreciation; (iv) interest income; (v) liabilities no longer required written back; (vi) bad debts/advances/claims written off; and (vii) interest charge, resulting in operating profit before working capital changes as adjusted for (i) trade and other receivables, (ii) inventories, and (iii) trade payables.

Net cash generated from operating activities amounted to ₹ 375.35 million in FY 2014. This amount consisted of net profit before tax and extraordinary items amounting to ₹ 536.18 million, as adjusted for profit on sale of fixed assets, impact of foreign exchange translation, depreciation, interest income, liabilities no longer required written back, bad debts/advances/claims written off and interest charges amounting to ₹ 162.79 million in aggregate, resulting in operating profit before working capital changes amounting to ₹ 698.97 million as set off by adjustments made for trade and other receivables, inventories and trade payables. The total cash generated from operations amounted to ₹ 446.08 million and we paid taxes of ₹ 70.72 million.

Net cash generated from operating activities amounted to ₹ 405.12 million in FY 2013. This amount consisted of net profit before tax and extraordinary items amounting to ₹ 681.02 million, as adjusted for loss on sale of fixed assets, impact of foreign exchange translation, depreciation, interest income, bad debts/advances/claims written off and interest charges amounting to ₹ 192.34 million, resulting in operating profit before working capital changes amounting to ₹ 873.37 million, as set off by adjustments made for trade and other receivables and inventories. The total cash generated from operations amounted to ₹ 586.51 million and we paid taxes of ₹ 181.39 million.

Net cash used in operating activities amounted to ₹ 140.62 million in FY 2012. This amount consisted of net profit before tax and extraordinary items amounting to ₹ 336.00 million, as adjusted for loss on sale of fixed assets, unrealised exchange loss, impact of foreign exchange translation, depreciation, interest income, liabilities no longer required written back, negative goodwill written back, government grant amortised, bad debts/advances/claims written off and interest charges amounting to ₹ 89.95 million, resulting in operating profit before working capital changes amounting to ₹ 425.95 million, as set off by adjustments made for trade and other receivables and inventories. The total cash used in operations amounted to ₹ 36.59 million and we paid taxes of ₹ 104.03 million.

Cash (Used in)/ Generated from Investing Activities

Net cash used in investing activities amounted to ₹ 122.31 million in FY2014. This amount consisted of cash used in purchase of fixed assets amounting to ₹ 150.42 million.

Net cash used in investing activities amounted to ₹ 1,000.15 million in FY2013. This amount consisted of purchase of fixed assets amounting to ₹ 466.13 million, investment in subsidiaries amounting to ₹ 245.06 million and loans given by us amounting to ₹ 317.38 million.

Net cash used in investing activities amounted to ₹ 295.27 million in FY2012. This amount consisted of purchase of fixed assets amounting to ₹ 72.74 million, investment in subsidiaries amounting to ₹ 225.87 million and loans given by us amounting to ₹ 1.02 million.

Net Cash (Used in)/ Generated from Financing Activities

Net cash flow used in financing activities amounted to ₹ 194.42 million in FY2014. This amount consisted primarily of repayment of long term borrowing amounting to ₹ 250.43 million, minority contribution amounting to ₹ 5.12 million, joint venture share amounting to ₹ 30.97 million, dividend paid amounting to ₹ 15.73 million, dividend tax paid amounting to ₹ 5.40 million and interest paid amounting to ₹ 175.61 million.

Net cash flow generated from financing activities amounted to ₹ 621.33 million in FY2013. This amount consisted proceeds from long term borrowing amounting to ₹ 343.48 million and proceeds from short term borrowing amounting to ₹ 883.98 million, as set off by cash used in repayment of long term borrowing, short term borrowing, dividend paid, dividend tax paid and interest paid amounting to ₹ 606.13 million in aggregate.

Net cash flow generated from financing activities amounted to ₹ 430.63 million in FY2013. This amount consisted proceeds from long term borrowing amounting to ₹ 499.87 million, short term borrowing amounting to ₹ 103.82 million and minority contribution amounting to ₹ 67.94 million, as set off by cash used in repayment of long term borrowing, short term borrowing, dividend paid, dividend tax paid and interest paid amounting to ₹ 241.01 million in aggregate.

Secured and Unsecured Borrowings

As on September 30, 2014, the total outstanding indebtedness of our Company, on a standalone basis was ₹ 1,953.26 million, out of which approximately ₹ 1,703.26 million are secured borrowings and ₹ 250 million are unsecured borrowings.

Secured Loans:

Name of the Lender	Nature of facility	Amount Sanctioned (in ₹ million)	Amount Outstanding as of September 30, 2014 (in ₹ million)	Security
Long Term Borrowings*				
Tata Capital Financial Services Limited	Term Loan Facility for working capital requirements	150.00	100.00# #An amount of ₹ 50 million has already been repaid in October 2014 and outstanding as of 31.10.2014 is ₹50 million	Personal guarantee by Mr. Prakash Agarwal. First <i>pari-passu</i> charge on movable fixed assets of the Company. First <i>pari-passu</i> charge on immovable fixed assets of the Company.
Short Term Borrowings				
State Bank of Bikaner and Jaipur	Fund Based Cash Credit (“CC”) Facility - Working Capital Demand Loan (“WC DL”) and Export Packing Credit (“EPC”)	CC – 252.50 (WC DL with sub-limit of 250.00 within CC limit and EPC with sub-limit of 75.00 within CC limit)	234.90	CC: Primary Security First charge by way of hypothecation of entire current assets of the company, viz raw materials, stock-in-process, finished goods, semi-finished goods, stores, spares and book-debts and other current assets on <i>pari-passu</i> basis with other working capital financing banks. Collateral Security First charge on fixed assets including equitable mortgage of factory land & building at Panihati and Ghaziabad on <i>pari-passu</i> basis with other working capital financing banks. EPC: Primary Security Deposit of irrevocable letters of credit drawn in favour of the Company and/or firm contracts entered into between the Company and overseas buyers; Hypothecation of raw materials, finished goods, stocks-in-process, consumable stores and spares, Inward RR/MTRs/Bills of lading and other documents of title to goods covering raw materials/ finished goods in transit, pertaining to the Company’s exports. Collateral Security: Collateral security is the same as applicable to CC, mentioned hereinabove.
	Non-Fund Based	826.50 (LC with a sub-limit of	681.50	LC: Demand drafts/ Invoices and

Name of the Lender	Nature of facility	Amount Sanctioned (in ₹ million)	Amount Outstanding as of September 30, 2014 (in ₹ million)	Security
	Letter of Credit (“LC”) and Bank Guarantee (“BG”)	239.00 within non fund based limit and BG with a sub-limit of 587.50 within non fund based limit)		documents of title to goods, raw materials, consumable spares, stores, spare parts, IDP spares and machinery items for routine maintenance, repairs etc.; Extension of <i>pari-passu</i> hypothecation charge on the Company’s entire current assets and charge on collateral security; in case of usance of LCs, the documents will be released only on obtaining of Trust Receipt; Collateral security as available for cash credit (as set out hereinabove) is extended to cover the LC facility. BG: Omnibus counter guarantee of the Company; Extension of <i>pari-passu</i> hypothecation charge on the Company’s entire current assets and Collateral security as available for cash credit (as set out hereinabove) is extended to cover the BG facility.
State Bank of India	Fund Based Cash Credit Facility (“CC”) - Working Capital Demand Loan (“WC DL”) and Export Packing Credit (“EPC”)	CC – 250.00 (WC DL with sub-limit of 250.00 within CC limit and EPC with sub-limit of 110.00 within CC limit)	134.60	Primary Security: First charge over entire current assets of the Company both present and future on <i>pari-passu</i> basis with other working capital bankers. Collateral Security: First charge over fixed assets of the Company both present and future on <i>pari-passu</i> basis with other working capital bankers.
	Non-Fund Based Letter of Credit (“LC”) and Bank Guarantee (“BG”)	400.00 (LC with a sub-limit of 195.00 within non fund based limit; letter of comfort with a sub-limit of 50.00 within non fund based LC limit and BG with a sub-limit of 205.00 within non fund based limit)	70.80	Primary Security: First charge over entire current assets of the Company both present and future on <i>pari-passu</i> basis with other working capital bankers. Collateral Security: First charge over fixed assets of the Company both present and future on <i>pari-passu</i> basis with other working capital bankers.

Name of the Lender	Nature of facility	Amount Sanctioned (in ₹ million)	Amount Outstanding as of September 30, 2014 (in ₹ million)	Security
Industrial Development Bank of India	Fund Based CC Facility - (WCDL and EPC)	CC – 150.00 (EPC with sub-limit of 150.00 within CC limit and WCDL with sub-limit of 75.00 within CC limit)	129.90	Primary Security First charge on the entire current assets of the Company, both present and future, ranking <i>pari-passu</i> with other member banks. Collateral Security First charge on the fixed assets of the Company, both present and future ranking <i>pari-passu</i> with other member banks.
	Non Fund Based Bill Discounting (Drawn under Letter of Credit (“LC”)) Limit; LC/ BG/ TCBG for Buyer’s Credit Limit and Joint Venture Bank Guarantee (“JVBG”)	500.00 (LC with sub-limit of 50.00 within fund based limit; LC/BG/TCBG with sub-limit of 500.00 within non fund based limit and JVBG with sub-limit of 50.00 within non fund based limit)	153.90	Bill Discounting (Drawn under Letter of Credit) Limit: Duly accepted Bills of Exchange and confirmation from LC issuing banks. LC/ BG/ TCBG for Buyer’s Credit Limit and JVBG/; Primary Security First charge on the entire current assets of the Company, both present and future, ranking <i>pari-passu</i> with other member banks. Collateral Security First charge on the fixed assets of the Company, both present and future ranking <i>pari-passu</i> with other member banks.
Yes Bank	Fund Based CC Facility - (WCDL; EC; PCFC/PSFC and PBG)	CC – 30.00 (WCDL with sub-limit of 30.00 within CC limit; Export Credit (“EC”) with sub-limit of 30.00 within CC limit; Parking Credit in Foreign Currency (“PCFC”)/ Post Shipment in Foreign Currency (“PSFC”) with sub-limit of	28.80	First <i>pari-passu</i> charge on all the current assets of the Company (both present and future) First <i>pari-passu</i> charge on all the fixed assets of the Company (both present and future)

Name of the Lender	Nature of facility	Amount Sanctioned (in ₹ million)	Amount Outstanding as of September 30, 2014 (in ₹ million)	Security
		30.00 within CC limit and Performance Bank Guarantee ("PBG") with sub-limit of 30.00 within CC limit		
	Non Fund Based BG and LC	150.00 (BG with sub-limit of 150.00 within non fund based limit and LC with sub-limit of 10.00 within non fund based limit)	97.20	First <i>pari-passu</i> charge on all the current assets of the Company (both present and future) First <i>pari-passu</i> charge on all the fixed assets of the Company (both present and future)
Central Bank of India	Fund Based Cash Credit Facility	5.00	-	Hypothecation of Stock of raw material, stock in process, finished goods in transit and book debts.
	Non Fund Based LG Inland/ Import-Financial/ Performance –	LG Inland/ Import-Financial/ Performance – 78.50	38.41	Counter guarantee of the Company and 10% Cash Margin.
Allahabad Bank	Non Fund Based: Bank Guarantee	32.50	32.10	Primary Security Joint hypothecation charge over entire current assets of the Company, including stocks and book debts, both present and future with other banks Collateral Security First <i>pari-passu</i> charge on fixed assets of the Company with other banks.

*In addition to the loans mentioned above, the Company has availed of various loans for purchase of vehicles aggregating to ₹3.10 million and the amount outstanding as on September 30, 2014 is ₹1.15million.

Unsecured Loans:

Below are the details of inter-corporate deposits availed by the Company:

Name of the Lender	Amount Outstanding as on September 30, 2014	Interest Rate	Tenure
Tea Time Limited	64.00	12% p.a.	Refundable on demand upto March 31, 2015
Orient International Limited	55.00		Refundable on demand upto March 31, 2015
Hindusthan Parsons Limited	26.50		Refundable on demand upto March 31, 2015

Name of the Lender	Amount Outstanding as on September 30, 2014	Interest Rate	Tenure
Northern Projects Limited	16.50		Refundable on demand uptil March 31, 2015
Hindusthan Udyog Limited	8.00		Refundable on demand uptil March 31, 2015
Neptune Exports Limited	80.00		Refundable on demand uptil March 31, 2015

In accordance with the terms of the loan agreements and sanction letters for the sanction of loan availed by the Company, we are required to obtain the prior written permission of the bank(s) to do any of the following:

1. effect any change in our capital structure;
2. formulate any scheme of amalgamation or restructuring;
3. implement any scheme of expansion/ diversification/ modernisation other than incurring routine capital expenditure; make any corporate investments or investment by way of share capital or debentures or lend or advance funds to or place deposits, with any other concern except to give normal trade credits or place on security deposits in the normal course of business or make advances to employees, provided that we may make such investments by way of deposit or advances that are required statutorily to be made in accordance with the existing laws of the country or the rules or regulations or guidelines issued from time to time by the authorities concerned;
4. undertake guarantee obligations on behalf of any third party or any other company; and
5. declare dividends for any year except out of profits relating to that year after making all due and necessary provisions and provided further that no default has occurred in any repayment obligations.

Interest Coverage Ratio

Set forth below is the information in respect of our interest coverage for FY2012, FY2013 and FY2014 on a consolidated basis:

<i>(₹ in million)</i>					
Fiscal Year	Profit after tax before share of minority interests	Depreciation	Interest Expense	Cash Profit	Interest Coverage Ratio
2014	386.80	67.48	175.61	629.89	3.59
2013	546.08	67.38	139.86	753.32	5.39
2012	229.43	23.69	92.38	345.50	3.74

Capital Expenditures

Our capital expenditures were ₹ 84.37 million, ₹ 111.87 million, ₹ 163.01 million in FY2012, FY2013 and FY2014, respectively.

Our capital expenditures in Fiscal 2012 primarily comprise expenditures incurred on (i) addition to buildings amounting to ₹ 20.48 million, (ii) plant and machineries amounting to ₹ 42.71 million and (iii) other assets amounting to ₹ 21.18 million in aggregate.

Our capital expenditures in Fiscal 2013 primarily comprise expenditures incurred on (i) addition to buildings amounting to ₹ 3.69 million, (ii) plant and machineries amounting to ₹ 48.44 million, (iii) other assets amounting to ₹ 14.30 million in aggregate and (iv) addition to land amounting to ₹ 45.45 million.

Our capital expenditure in Fiscal 2014 primarily comprise expenditures incurred on (i) addition to buildings amounting to ₹ 0.21 million, (ii) plant and machineries amounting to ₹ 84.74 million, (iii) other assets amounting to ₹ 17.82 million in aggregate, and (iv) addition to land amounting to ₹ 60.23 million.

Contractual obligations and commitments

We do not have any significant contractual obligations and commitments as on March 31, 2014.

Contingent Liabilities

Our contingent liabilities not provided for as on March 31, 2014 are as under on a consolidated basis:

Sr. No.		As on March 31, 2014 (₹ in million)
1.	Sales Tax matter under dispute	17.86
2.	Income Tax matter under appeal	2.90
3.	Excise Duty matters under dispute	0.19
4.	Bank Guarantee outstanding	593.10
5.	Corporate Guarantee outstanding	1,124.46

- i. *Loans were obtained by our Singapore Subsidiary for acquisition of the UK and the South African Subsidiaries and for their working capital requirements. Such loans are secured by Corporate Guarantee of Holding Company and the said Subsidiaries, an exclusive charge over the said Subsidiary's entire assets and pledge of their 100% shares.*
- ii. *The Subsidiary at Singapore has arranged for Bank Guarantees/Letters of Credit aggregating to ₹ 116.59 million (2013 - NIL) from a Bank in Singapore for its and/or its South African Subsidiaries' business purposes*
- iii. *One of our South African Subsidiaries has availed of a medium term loan from a Bank in South Africa for the acquisition of a Landed Property which is secured against the same and the Suretyship of other South African Subsidiaries.*
- iv. *Another subsidiary has Bank Guarantees outstanding as on 31st March, 2014 amounting to ₹ 12.04 million (2013 - ₹ 8.39 million) arranged from its Banker and the same is against 100% cash margin in the form of Fixed Deposits.*
- v. *The UK Subsidiary's Bank had issued a Performance Bond in the normal course of its business to its Customer in respect of performance of a contract and such bond will expire on 30.09.2014*
- vi. *A retrenched employee of a Subsidiary has filed a case against it in the Industrial Labour Court claiming ₹ 1.2 million approx towards retrenchment compensation. The case is pending and the management is of the view that such claim is not valid and will not be allowed by the Court, hence, no provision has been made in the Financial Statements.*

Off Balance Sheet Arrangements

We do not have any off balance sheet liabilities that are not reflected in our financial statements.

Related Party Transactions

We have entered into transactions with a number of related parties. For details of the related party transactions, please see section 'Financial Statements' on page 147 of this Placement Document and the annual reports of the Company for Fiscals 2014, 2013 and 2012 as available on the website of the Company.

Risk Management

We are, during the normal course of business, exposed to various types of market risks, including interest rate risk, foreign exchange risk, credit risk and liquidity risk, among others. Our risk management strategy aims to minimize the adverse effects of financial risk on our financial performance.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Almost all of our indebtedness is on floating interest rate basis, and hence we are exposed to changes in interest rates.

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from our operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions

and other financial instruments.

Liquidity Risk

Liquidity risk is the risk that we will not be able to meet our financial obligations as they fall due. We manage liquidity risk by monitoring forecast and actual cash flows continuously and keeping sufficient cash and cash equivalents.

Foreign Exchange Risk

Foreign exchange risk is the risk that the fair value of a contract or financial instrument or our revenues or expenses will fluctuate because of changes in foreign exchange rates.

Material Developments

In the opinion of our board of directors, other than as described in this Placement Document, there has not arisen, since the date of the last Financial Statements included in this Placement Document, any circumstances that materially and adversely affect the profitability or the value of our assets or our ability to pay our liabilities within the next 12 months.

Except as stated elsewhere in this Placement Document, there are no subsequent developments after September 30, 2014, that we believe are expected to have material impact on our reserves, profits, earnings per share, book value, share capital, the value of our Equity Shares, our business and financial condition.

For details in relation to Company's unaudited standalone financial results for six months period ended September 30, 2014, please see section "Financial Statements" on page 147 of this Placement Document.

INDUSTRY OVERVIEW

The information set forth in this section is based on publicly available information, which has not been independently verified by our Company or the Book Running Lead Manager to the Issue, or any of their respective affiliates and advisors. None of us, the Book Running Lead Manager or any other person connected with the Issue has verified this information. Industry sources and publications generally state that the report has been published for general information purposes and that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and accordingly, investment decisions should not be based on such information. Several reports also expressly disclaim legal responsibility and liability of the person / organisation preparing the report for any loss or damage resulting from the contents of such reports. Accordingly, we and the Book Running Lead Manager do not take any responsibility for the data, projections, forecasts, conclusions or any other information contained in this section. Certain information contained herein pertaining to prior years is presented in the form of estimates as they appear in the respective reports/ source documents. The actual data for those years may vary significantly and materially from the estimates so contained.

OVERVIEW OF THE INDIAN ECONOMY

The Indian economy is the fourth largest economy in the world on the basis of GDP calculated on purchasing power parity basis. It is one of the most attractive destinations for business and investment opportunities due to huge manpower base, diversified natural resources and strong macro-economic fundamentals. Also, the process of economic reforms initiated since 1991 has been providing an investor-friendly environment through a liberalised policy framework spanning the whole economy. (Source: http://business.gov.in/indian_economy/index.php)

For 2013, India's gross domestic product ("GDP") per capita on a purchasing power parity basis was approximately US\$ 5,449.82. (Source: International Monetary Fund, World Economic Outlook Database, October 2014) The GDP growth rates, in terms of percentage, for certain developed and developing economies for each of the calendar years 2012, 2013 and 2014 are set out below:

Countries (in percentage)	2012	2013	2014 (est.)
China	7.7	7.7	7.4
India	4.7	5.0	5.6
Russia	2.5	1.9	1.4
Brazil	1.0	2.5	0.3
South Africa	2.5	1.9	1.4
United States	2.3	2.2	2.2
Japan	1.5	1.5	0.9
United Kingdom	0.3	1.7	3.2

(Source: International Monetary Fund, World Economic Outlook Database, October 2014)

Economic liberalization measures, including industrial deregulation, privatization of state-owned enterprises, and reduced controls on foreign trade and investment, began in the early 1990s and served to accelerate the country's growth, which averaged under 7% per year from 1997 to 2011.

In late 2012, the Indian Government announced additional reforms and deficit reduction measures, including allowing higher levels of foreign participation in direct investment in the economy. Growth in 2013 fell to a decade low, as India's economic leaders struggled to improve the country's wide fiscal and current account deficits. However, investors' perceptions of India improved in early 2014, due to a reduction of the current account deficit and expectations of post-election economic reform, resulting in a surge of inbound capital flows and stabilization of the rupee. (Source: <https://www.cia.gov> The Central Intelligence Agency, "The World Factbook")

In terms of overall growth GDP at factor cost at constant (2004-05) prices in the year 2013-14 is estimated at ₹ 5,741,791 crores showing a growth rate of 4.7% over the first revised estimates of GDP for the year 2012-13 of ₹ 5,482,111 crores.

The following table illustrates India's GDP growth at factor cost at constant (2004-05) prices between Financial Year 2012 and Financial Year 2014:

Provisional Estimates of GDP at Factor Cost by Economic Activity (At 2004-05 prices)

(₹ in crores)

Industry	2011-12(2 nd RE)	2012-13 (1 st RE)	2013-14 (PE)	Percentage change over previous year	
				2012-13	2013-14
1. Agriculture, Forestry & Fishing	753,832	764,510	800,548	1.4	4.7
2. Mining & Quarrying	110,725	108,328	106,838	-2.2	-1.4
3. Manufacturing	854,098	863,876	857,705	1.1	-0.7
4. Electricity, Gas & Water Supply	100,646	102,922	109,018	2.3	5.9
5. Construction	415,188	419,795	426,664	1.1	1.6
6. Trade, Hotels, Transport and Communication	1,402,261	1,473,353	1,517,826	5.1	3.0
7. Financing, Insurance, Real Estate & Business Services	945,534	1,048,748	1,183,714	10.9	12.9
8. Community, Social & Personal Services	665,246	700,579	739,477	5.3	5.6
9. GDP at factor cost	5,247,530	5,482,111	5,741,791	4.5	4.7

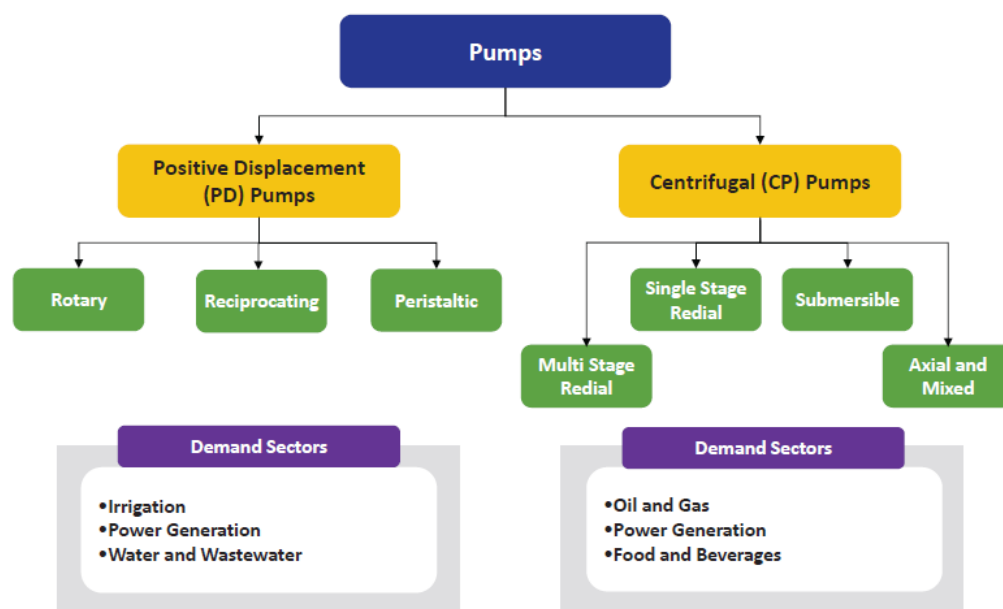
(Source: Ministry of Statistics and Programme Implementation, http://mospi.nic.in/Mospi_New/upload/nad_pr_30may14.pdf)

The median GDP growth forecast is estimated at 5.5% for 2014–2015, with a minimum and maximum range of 5.0% and 6.0% respectively. The industrial sector is projected to witness an uptick, with a median growth forecast of 3.3% in 2014–2015. (Source: FICCI “Economic Outlook Survey,” March 2014)

OVERVIEW OF THE INDIAN PUMPS MARKET

Pumps find extensive application in numerous key sectors of the economy. The pumps market in India is expected to witness robust growth driven by the agricultural sector owing to unpredictable monsoons. According to Netscribes, the Indian pumps industry is developing in a phased manner and caters to demand from diverse sectors. The industry is expected to grow from ₹ 66,000 million in 2011 to ₹ 108,500 million in 2017 which results in a compounded annual growth rate of approximately 9 per cent. As of 2012, the replacement market in the industry constitutes approximately 60 per cent whereas the new buy market constitutes approximately 40 per cent. Similarly, centrifugal pumps as a segment constitute approximately 90 per cent whereas positive displacement pumps constitute approximately 10 per cent of the industry. (Source: Netscribes Report on “The Pumps Market – India 2013” published in April, 2013)

Types of Pumps



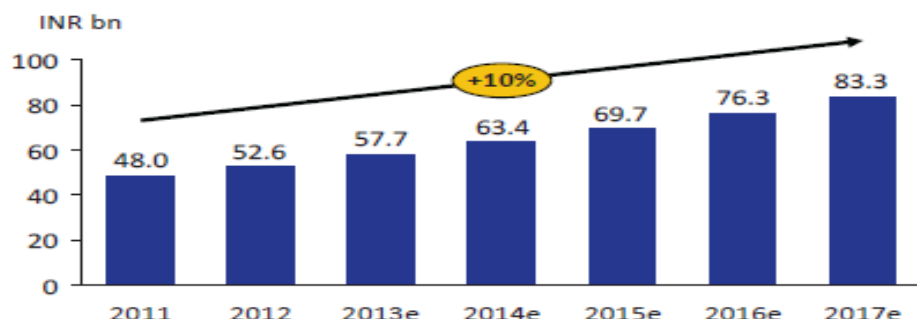
(Source: Netscribes Report on “The Pumps Market – India 2013” published in April, 2013)

SEGMENT-WISE DISTRIBUTION OF THE PUMPS MARKET IN INDIA

Agricultural Segment Overview

According to Netscribes, the agricultural segment accounts for the highest share of demand for pumps in the Indian market. The focus on energy efficient pumps is low in this segment due to free electricity schemes being provided to the farmers by the central and state governments hence the demand for pumps in this segment is catered to by the unorganized segment. As of 2011, the unorganized segment accounts for approximately 60 per cent and the organized segment accounts for approximately 40 per cent of the overall agricultural pump segment. (Source: Netscribes Report on “The Pumps Market – India 2013” published in April, 2013)

Pump Usage – Agricultural Segment (₹ bn)

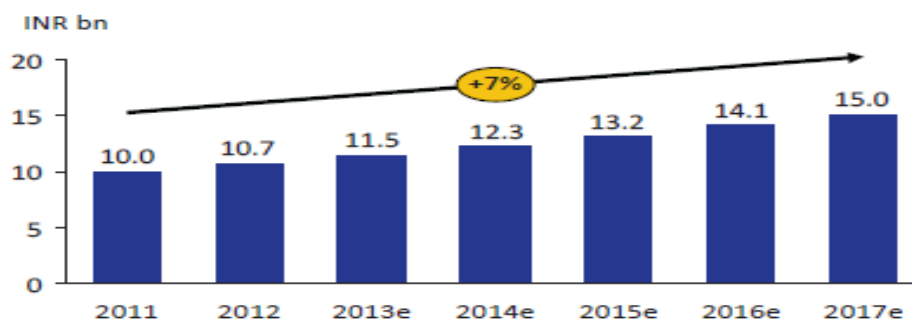


(Source: Netscribes Report on “The Pumps Market – India 2013” published in April, 2013)

Industrial Segment Overview

According to Netscribes, pumps find extensive applications in a wide range of industries with the industrial segment primarily accounting for the demand of specialized pumps. Players in the organized segment dominate the market in this segment owing to the requirement of better technology in the production of specialized pump sets. As of 2012, the organized segment accounts for approximately 80 per cent and the unorganized segment accounts for approximately 20 per cent of the overall industrial pump segment. (Source: Netscribes Report on “The Pumps Market – India 2013” published in April, 2013)

Pump Usage – Industrial Segment (₹ bn)



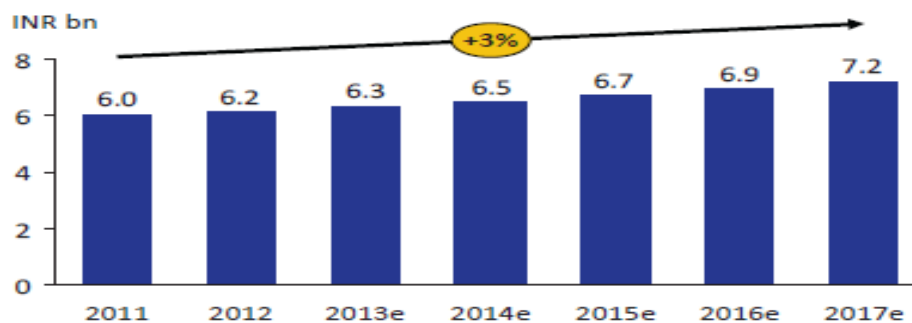
(Source: Netscribes Report on “The Pumps Market – India 2013” published in April, 2013)

Services Segment Overview

According to Netscribes, the services segment in the pumps market mainly comprises of two major sub-segments, i.e. water supply and sanitation segments. The services segment accounted for 9.09 per cent of the overall pumps market in 2011, though high growth potential of the water treatment and sewage segment owing to rapid urbanization will increase demand for pumps from this sector. Exports of pumps in this segment primarily take place through the various engineering, procurement and construction contractors. As of 2012, the organized segment accounts for approximately 95 per cent and the unorganized segment accounts for approximately 5 per cent of the overall services pump segment.

(Source: Netscribes Report on “The Pumps Market – India 2013” published in April, 2013)

Pump Usage – Services Segment (₹ bn)

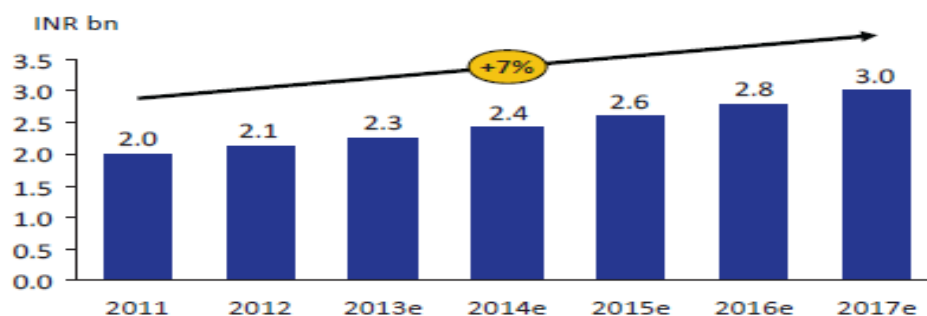


(Source: Netscribes Report on “The Pumps Market – India 2013” published in April, 2013)

Miscellaneous Segment Overview

According to Netscribes, demand for pumps for miscellaneous activities (such as mine dewatering) accounted for a nominal share of 3.03 per cent of the market in 2011. Micro, small and medium enterprises cater to the replacement and spares requirement of pumps in this segment. As of 2012, the organized segment accounts for approximately 95 per cent and the unorganized segment accounts for approximately 5 per cent of the overall miscellaneous pump segment. (Source: Netscribes Report on “The Pumps Market – India 2013” published in April, 2013)

Pump Usage – Miscellaneous Segment (₹ bn)



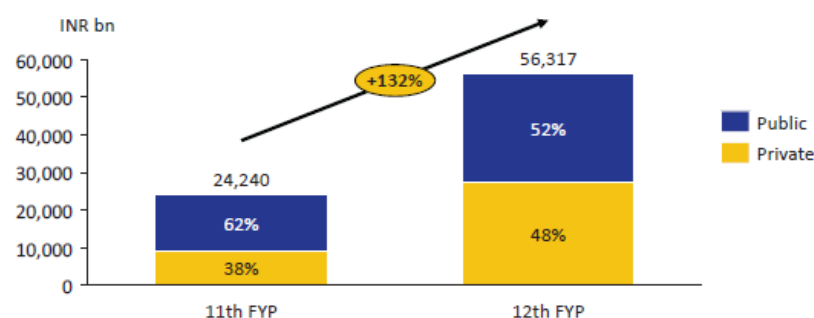
(Source: Netscribes Report on “The Pumps Market – India 2013” published in April, 2013)

GROWTH DRIVERS FOR THE PUMP MARKET IN INDIA

Focus on infrastructure expansion will boost the requirement of pumps in the Indian market

The planned investment in infrastructure in the 12th Five Year Plan has risen to ₹ 56,317 billion as compared to ₹ 24,240 billion in the 11th Five Year Plan. The share of investment in infrastructure has witnessed a shift from the public sector to the private sector with private sector investments in infrastructure increasing from 22 per cent in the 10th Five Year Plan to 38 per cent in the 11th Five Year Plan and will have to rise to about 48 per cent during the 12th Five Year Plan to meet the set targets. (Source: Netscribes Report on “The Pumps Market – India 2013” published in April, 2013)

Investment Share in Infrastructure (₹ billion)



(Source: Netscribes Report on “The Pumps Market – India 2013” published in April, 2013)

Agricultural sector is witnessing a growing reliance towards pump usage owing to erratic monsoons

India is primarily an agricultural economy with the agriculture and allied sector accounting for 14% of GDP in 2011-12. The development of the agricultural sector in India is dependent on the vagaries of the monsoon as majority of crops have specific irrigation requirements which have to met to ensure a good harvest. The various fluctuations in both the time and amount of rainfall received across different states make it mandatory for the farmers to use pump sets for irrigation. (Source: Netscribes Report on “The Pumps Market – India 2013” published in April, 2013)

Season (June to September) Rainfall			
Region	Long Period Average (mm)	Actual Rainfall for 2012 SW Monsoon Season	
		Rainfall (mm)	Rainfall (% of LPA)
All India	887.5	819.8	92
Northwest India	615.0	569.3	93
Central India	975.5	935.5	96
Northeast India	1438.3	1275.3	89
South Peninsula	715.5	643.9	90

(Source: Netscribes Report on “The Pumps Market – India 2013” published in April, 2013)

Fluctuations in ground water level results in demand for pumps having different power capacities to withdraw water from different depths

Pump sets are used to lift underground water for use in agricultural, domestic and industrial purposes. Fluctuations in ground water levels results mainly from inadequate rainfall and prevalent drought conditions across different states. Changes in the ground water level is expected to boost the Indian pump industry by generating demand for pump sets having different power capacities. Between January 2011 and January 2012, comparison in water level fluctuation highlighted a decline in water level in the states of Maharashtra, Karnataka, Andhra Pradesh, Orissa, south Gujarat and Assam. A decline in water level of more than 2 meters has been observed in Punjab, Haryana, northwest Rajasthan, south Gujarat, Maharashtra, Andhra Pradesh and Karnataka. (Source: Netscribes Report on “The Pumps Market – India 2013” published in April, 2013)

Fluctuations in ground water level

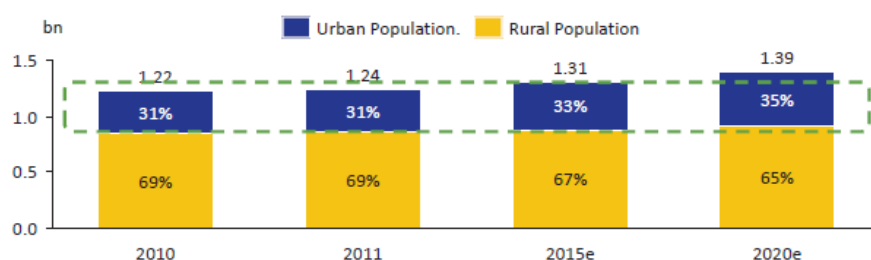
State Wise Annual Water Level Fluctuation (January 2011- January 2012)					
States	Wells (Units)	Fall (%)	States	Wells (Units)	Fall (%)
Dadra & Nagar Haveli	6	100	Chandigarh	14	57.14
Andhra Pradesh	586	86.69	Punjab	175	46.29
Delhi	126	82.54	Tamil Nadu	674	44.36
Karnataka	750	80	Rajasthan	745	43.62
Goa	33	78.79	Madhya Pradesh	840	32.74
Haryana	148	74.32	Meghalaya	7	28.57
Maharashtra	908	71.92	Pondicherry	8	25
Arunachal Pradesh	7	71.43	Chhattisgarh	331	22.96
Assam	161	63.35	Jharkhand	154	16.23
Jammu & Kashmir	122	62.3	Bihar	237	13.92
Himachal Pradesh	71	61.97	Uttaranchal	45	4.44
Kerala	637	61.54	Uttar Pradesh	627	3.99
Gujarat	692	58.96	West Bengal	668	2.54
Orissa	749	57.94	Tripura	26	0

(Source: Netscribes Report on “The Pumps Market – India 2013” published in April, 2013)

Growth in population and urbanization adds an impetus to the demand for pumps in India

India is the world’s second largest populated country, representing approximately 17.31 per cent of the global population. An ever increasing population base of India will continue to act as a driver for the demand for water and consequently, drive the demand for pump sets. The share of urban population in India is expected to register an increase from 31 per cent in 2011 to 35 per cent in 2020. This growing urbanization will exert pressure on the infrastructure for the removal and treatment of waste water. (Source: Netscribes Report on “The Pumps Market – India 2013” published in April, 2013)

Urban and rural population growth (₹ billion)



(Source: Netscribes Report on “The Pumps Market – India 2013” published in April, 2013)

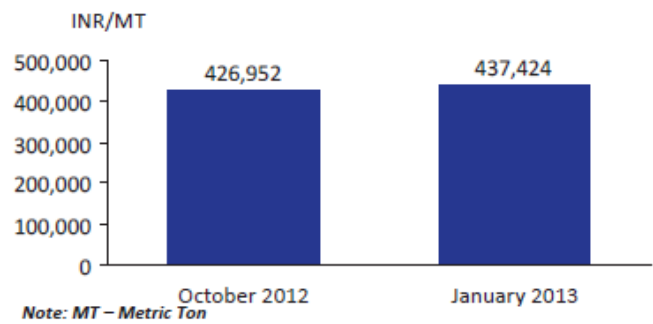
Provision of subsidized power to the power by the government will act as a deterrent in the adoption of energy efficient pump sets in India

The central government, along with several state governments in India, has made provisions for subsidizing the power consumed by agricultural pump sets. Subsidized electricity discourages the farmer from focusing on saving power and deters them from purchasing energy efficient pump sets. The subsidized power tariffs lead to a decline in profits for manufacturers of energy efficient pump sets who primarily operate in the organized sector. (Source: Netscribes Report on “The Pumps Market – India 2013” published in April, 2013)

Rise in input prices leading to a hike in production costs has a negative impact on pump market growth

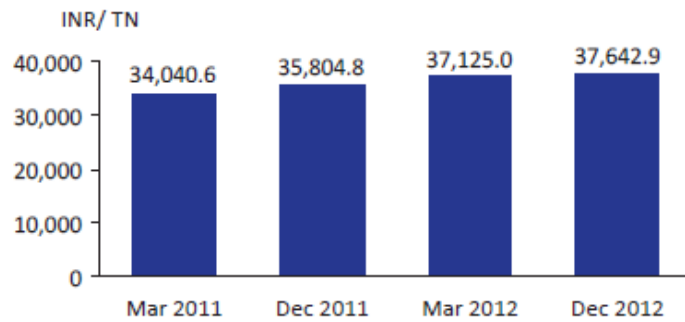
Various metals such as steel, iron and bronze are the major raw materials used in the construction of pumps. The rise in the prices of raw materials has led to an increase in the cost of production of the pump manufacturers. (Source: Netscribes Report on “The Pumps Market – India 2013” published in April, 2013)

Rise in copper prices



(Source: Netscribes Report on “The Pumps Market – India 2013” published in April, 2013)

Rise in steel prices



(Source: Netscribes Report on “The Pumps Market – India 2013” published in April, 2013)

BUSINESS

Overview

We are one of the leading Indian pump manufacturers and provider of flow control solutions and related services to the irrigation, municipality and water utility sector, thermal power generation, infrastructure sector and industrial sector in India and overseas. We have participated in a number of large-scale infrastructure projects in India, including providing pumps and ancillary equipment to various state run thermal power projects in India.

Since the incorporation in the year 1952, our Company has developed into a vertically integrated provider of a broad range of flow control solutions to the irrigation, municipality and water utility sector, thermal power generation and infrastructure sectors in India supported by our R&D base. We have grown through organic and acquisitive growth. At present, our strategy is focused on organic growth based on our existing assets, as well as selective, value-creating acquisitions. By virtue of organic growth and the consolidation of a number of enterprises into our Company, most of which have been key providers of pumps and flow control solutions, we have an operation base in India and certain other countries, including South Africa, Australia, United Kingdom, and Thailand. This installed base provides a natural market for our maintenance services and aftermarket support, as well as for replacement equipment and spare parts for upgrade and modernisation.

We provide pumps and integrated flow control solutions through three business verticals:

- *Engineered pumps:* The engineered pumps division designs, engineers, manufactures, delivers and installs engineered pumps and related products for use primarily in the irrigation, municipality and water utility sector and thermal power generation and infrastructure and other industrial sectors. In the engineered pump division, we manufacture range of vertical pumps like vertical turbine, vertical mixed flow and vertical axial flow (propeller) pumps which offer specialized water handling solutions to the conventional power generation and the industrial sector. The engineered pumps unit's principal products include pumps built to standard specifications, customised pumps and pump equipment and integrated pump systems. We provide specialised water handling solutions in the irrigation, municipality and water utility sector, thermal power generation and infrastructure and other industrial sectors for large pumps in the engineered pumps division. We manufacture and supply pumps under the engineered pump division through our manufacturing facilities located at Kolkata. In the engineered pump division, we have a testing facility to test pumps upto capacity of 40,000 m³/hour. The engineered pumps division also has specialised fabrication areas for stainless steel welding. As our Company has developed on a consolidated basis, it has increasingly focused on products and services in the pump sector, particularly on bespoke, highly engineered pumping equipment and integrated pump systems built on a turn-key basis.
- *Conventional pump division:* This division supplies centrifugal pumps which are largely utilised in irrigation and water utility and other industrial sectors. The horizontal pumps range covers large engineered horizontal split case and volute pumps to the smaller end suction pumps. We provide comprehensive range of centrifugal pumps in irrigation and water utility sectors for large pumps in the conventional pump division. In the conventional pump division, we have fully automatic machining centres for large casings/ impellers and dynamic balancing setups for rotating assemblies.
- *EPC:* The EPC division designs, engineers, project manages and constructs water projects, including on a turnkey basis, for customers in the irrigation, municipality and water utility sector, thermal power generation and infrastructure and other industrial sectors. We offer concept to commissioning solutions for water handling projects covering the complete domain of hydraulic/civil/mechanical/electrical and instrumentation engineering. We have completed several assignments of providing solutions under the EPC division to the irrigation, municipality and water utility sector, thermal power generation and infrastructure sectors.

Our revenue for FY 2014, FY 2013 and FY 2012 amounted to ₹ 5,205.33 million, ₹ 5,183.66 million and ₹ 3,743.53 million, respectively, and for the six months period ended September 30, 2014 on a standalone basis, amounted to ₹ 1,190.10 million.

Competitive Strengths

We believe that we benefits from the following competitive strengths:

Resilient financial growth and strong Order Book

Over the past few years, we have enjoyed resilient revenue and margin growth. Our revenue on a consolidated basis increased from ₹ 3,733.39 million as on March 31, 2012 to ₹ 5,128.29 million as on March 31, 2014. As of September 30, 2014, our order book is approximately ₹ 6,297.11 million which consists of orders amounting to ₹ 1,891.35 million from engineered pumps division, orders amounting to ₹ 424.29 million from conventional pumps division and orders amounting to ₹ 3,981.47 million from supplying of solutions in EPC division.

Strong management team with established track record of growing the business organically and through acquisitions.

Our management team has been leading our Company for a while and has an established track record of growing the business organically as well as identifying, acquiring and integrating value-enhancing businesses and assets successfully into our existing business. Since 2004, our Company's management has executed its strategy of developing from a manufacturer and supplier of pumps to a fully-fledged end to end solution provider offering water flowing solutions to the customers that comprise designing, engineering, managing and constructing water projects, including on a turn-key basis, for customers in the irrigation, municipality and water utility sector, thermal power generation, infrastructure and other industrial sectors. With the support of our management, we have made certain acquisitions in past in India and abroad and we have benefitted from such acquisitions by venturing into new geographies and supply of new products.

Operational and product quality excellence

We maintain strong focus on the quality of our products. Our registered office and manufacturing facilities located in Kolkata are ISO 9001:2008 standard for design, development, manufacture, supply, installation, commissioning and service of vertical pumps, horizontal pumps and spares.

Our design team uses recent versions of professional design software, such as internationally acclaimed computational fluid dynamics software ANSYS CFX.

Advanced R&D capabilities

We have an in-house R&D facility located at Panihati, Kolkata, recognised by the Ministry of Science and Technology, Government of India, which is responsible for conducting research and designing new products and specialised applications for existing pump equipments and which include a pump testing facility, analyzing the test results and taking corrective action till the design is validated. Our R&D facility comprises three wings (i) Hydraulic wing: For hydraulic development of new pump models based on pump specific speed and field of application; (ii) Mechanical wing: For development of new mechanical and structural designs of pump components; and (iii) Special analysis wing: For analysis and development of new pumping systems including suction intake and pump discharge piping system along with flow pattern analysis of the same by applying computational fluid dynamics techniques. Special analysis wing is also responsible for conducting Sump Flow Pattern Analysis, Flow Analysis through pump hydraulic passages, development of new design tools for carrying out pump design etc. The Ministry of Science and Technology, Government of India has accorded recognition to the R&D laboratory of the Company located at Panihati, Kolkata valid upto March 31, 2016.

Significant market positions in providing water flowing solutions in irrigation, municipality and water utility sector, thermal power generation and infrastructure and other industrial sectors

We are one of the leading providers of pumps to the irrigation, municipality and water utility sector, thermal power generation and infrastructure and other industrial sectors of the Indian pump market, and have a growing presence in the Indian EPC market.

- ***Growing presence in EPC services.*** –We have been supplying pumps for turnkey projects since 2004 and our presence has slowly and gradually increased in the EPC division. We have focused on strengthening our infrastructure in the EPC division by strengthening of engineering team, project execution team and marketing team contributing to growth in providing EPC services. Due to our continued focus in supplying of pumps in the EPC division, we have leveraged on the shifting of demand for manufactured pumps to supply of concept to commissioning of solutions for water handling projects which includes designing, engineering, managing and constructing water projects on turnkey basis.

- *Significant barriers to entry.* – We benefit from high entry barriers in the flow control solutions market. The incumbent players, including our Company, have established strong relationships with their customers that have been forged over the long term period, creating a significant barrier to entry for any new entrant seeking to break into the sector in which we operate in India. In addition, we have experience, proven track record and technical expertise in manufacturing and supply of pumps. Any new entrant in this sector is required to establish performance of solutions provided to procure further orders in addition to having expertise in providing flow control solutions and related services. We believe that our experience, track record and execution capabilities provide us a competitive advantage in our business, as we are in a position to meet the prequalification requirements necessary to enter the competitive bidding process for potential EPC projects. We also believe that our experience enables us in identifying and mitigating certain development and operational risks, which we believe is a key competitive advantage for us.

Diversified and well-established customer base including large cap state owned companies in a range of uncorrelated sectors such as irrigation, municipality and water utility sector, thermal power generation and infrastructure and other industrial sectors

- *Exposure to wide range of uncorrelated sectors of the Indian economy.* Our Company's products and services are used in a wide range of sectors, including irrigation, municipality and water utility sector, thermal power generation and infrastructure and other industrial sectors. As a result of this diversified business model, we are less affected by a downturn in a particular sector.
- *Well-established customer base.* Our Company provides pumps and related services, as well as EPC services, to a number of state owned power companies, state electricity boards, state irrigation departments, city municipalities and development authorities and industries both in private and public sectors. Some of our customer relationships have existed for longer tenure.
- *Broad sales platform.* As on date, the Company has an extensive sales team of approximately 53 people. The sales team aims to establish contacts at several levels of a customer's business, from senior management to heads of production and procurement and chief engineers. This enables us to develop a better understanding of its customers' needs and to target cross-sales and integrated solutions at key decision-makers. Our sales efforts are supported by our R&D and engineering teams.
- *Integrated solutions.* Our wide range of products and services and R&D capabilities enable us to offer integrated solutions incorporating the design, engineering, procurement, manufacture, testing, delivery, installation and commissioning of all equipment required for the execution of a project. We believe that many of our customers prefer to work with integrated solutions providers since working with a single project partner tends to reduce the time required for engineering, procurement and system engineering, simplifying administration and project management and reducing the risk of compatibility issues and assuring the desired performance, which results in lower overall project costs.

Strategies

Pursue selective, value-enhancing acquisitions

We intend to make selective, value-enhancing acquisitions, targeting businesses that offer complementary products, provide the opportunity to expand into high growth markets and improve our core competencies. In furtherance of this strategy, we shall consider acquisition opportunities in overseas geographies and within India, which would enable us to increase our presence internationally as well as in Indian markets. Our acquisition strategy is also aimed at identifying attractive acquisition opportunities in high-growth sectors in which our market presence is currently limited, including pumps for the oil and gas sector. We believe that our experienced management team and financial position will allow us to continue to identify and acquire attractive assets that complement and further diversify our existing product and services portfolio. We intend to target acquisitions that will offer significant cost and revenue synergies.

Leverage and strengthen our market position to benefit from growth factors in our current core markets, and to expand and diversify into new markets.

We intend to further penetrate our key markets and enter new markets where we do not have a significant presence (for instance, the Indian oil and gas related pump equipment market) through the diversification and enhancement of our

product portfolio, including the development and production of next-generation pumps and enhanced aftermarket sales and support. We also plan to increase the share of customised pumps, which offer higher margins than standard pumps, in our product portfolio. To further capture market share, we intend to increase cross-selling our products and services to large oil and gas and other industry customers, with many of whom we already have established relationships. We also plan to increase our share of products for export, principally to geographies where we have established operations.

Focus on integrated solutions and other highly-engineered products.

Our broad range of products and services enables us to offer integrated solutions to our customers, comprising the design, manufacture, installation and servicing of complex, highly engineered flow control systems. We anticipate that many of our largest customers, particularly in the irrigation, municipality and water utility sector, thermal power generation and infrastructure and industrial sectors, will continue to seek to work with manufacturers that can offer integrated solutions. In addition, the provision of integrated solutions and other highly engineered products tends to offer higher margins than stand-alone products and services, and often require extensive interaction with customers and involve customised products, providing an opportunity to strengthen customer relationships and a strong base for aftermarket sales. We therefore plan to focus on growing our integrated solutions offerings.

Enhance R&D capabilities.

We intend to expand our R&D capabilities leveraging the experience and knowledge base of our existing teams. In addition, we intend to apply additional resources to monitor the product offerings of the markets in which we operate and to ensure that our R&D division is in a position to develop upgrades and new solutions. We shall also seek to improve our pump technology by investing in continued research in order to produce more energy efficient pumps. Finally, we intend for our R&D teams to work more closely with customers in order to develop technical policies and standards that will enable our EPC customers to improve the efficiency of their operations.

History and Development

The Company was incorporated as “Johnston Pumps India Limited” on February 26, 1952 at Calcutta with the objective of manufacturing vertical turbine pumps for tube wells and of all other kind of pumps for any purpose whatsoever. Pursuant to a certificate of incorporation dated January 20, 1983, the name of the Company changed to Worthington Pumps India Limited and subsequently the name changed to WPIL Limited vide certificate of incorporation dated September 17, 1996. The registered office of the Company shifted from Four Mangoe Lane, Surendra Mohan Ghosh, Sarani, Kolkata, West Bengal – 700 001, India to 3rd Floor, Trinity Plaza, 84/1A, Topsia Road (South), Kolkata, West Bengal – 700 046, India on January 31, 2007.

Below mentioned are the key events in the Company’s history, as well as participation in a number of high-profile projects.

Sr. No	Calendar Year	Key Events
1.	2008	Entered into a joint venture agreement with Clyde Pumps for supply of vertical pumps in international market and for venturing into supply of products in new sectors.
2.	2009	Received order for supply of CW system equipment package for 2x660 mega-watt for a thermal power project
3.	2010	Received orders for turnkey projects for the complete plant water system for 2x250 mega-watt for a thermal power project in Satpura
4.	2011	Entered into a joint venture agreement for the production and supply of pumps and pumps systems and to operate as a sole distributor in Thailand.
5.	2011	Acquired 53% shareholding in Sterling Pumps PTY Limited, Australia for venturing into new market for the purpose of supply and manufacturing and assembling and designing of agricultural and industrial pumps, submersible pumps and motors and all associated equipment including design, for supply in Australia and international markets.
6.	2011	Entered into share purchase agreement with Westley Group Limited for acquisition of shares in Mathers Foundry Limited, United Kingdom for supply of quality steel castings and for casting of products in Zeron, a proprietary range of super duplex stainless steel alloys.
7.	2012	Through WPIL International Pte. Limited, Singapore acquired pump business of PSV Holdings Limited, South Africa comprising 100% shareholding in APE Pumps Proprietary Limited, Mather & Platt (South Africa) Proprietary Limited and PSV Zambia Limited. Pursuant to the

Sr. No	Calendar Year	Key Events
		said acquisitions, we have ventured into supply of products in African region.
8.	2013	Acquired shareholding in Mody Industries (F.C.) Private Limited. Pursuant to the said acquisition, we have ventured into dewatering and sewage pump segment in India.

Order Book

Our order book comprises total orders in hand of the Company as on September 30, 2014 for manufacture and supply of pumps and spare parts and direct dispatches in engineered pump division and conventional pump division and orders for providing concept to commissioning solutions for water handling projects in EPC division.

As of September 30, 2014, our order book is approximately ₹ 6,297.11 million which consists of orders amounting to ₹ 1,891.35 million from engineered pumps division, orders amounting to ₹ 424.29 million from conventional pumps division and orders amounting to ₹ 3,981.47 million from supplying of solutions in EPC division. Our outstanding order book as on September 30, 2014 is as mentioned below:

Sr. No.	Particulars	Engineered pump division		Conventional pump division	
		Quantity	Value (₹ in million)	Quantity	Value (₹ in million)
1.	Pumps	253	1,580.95	1507	315.7
2.	Spares	-	151.62	-	61.12
3.	Direct Despatch	-	158.78	-	47.47
	Total	253	1,891.35	1,507	424.29

In the EPC division, as on September 30, 2014, there are outstanding orders for an amount aggregating to ₹ 3,981.47 million from the subsisting projects.

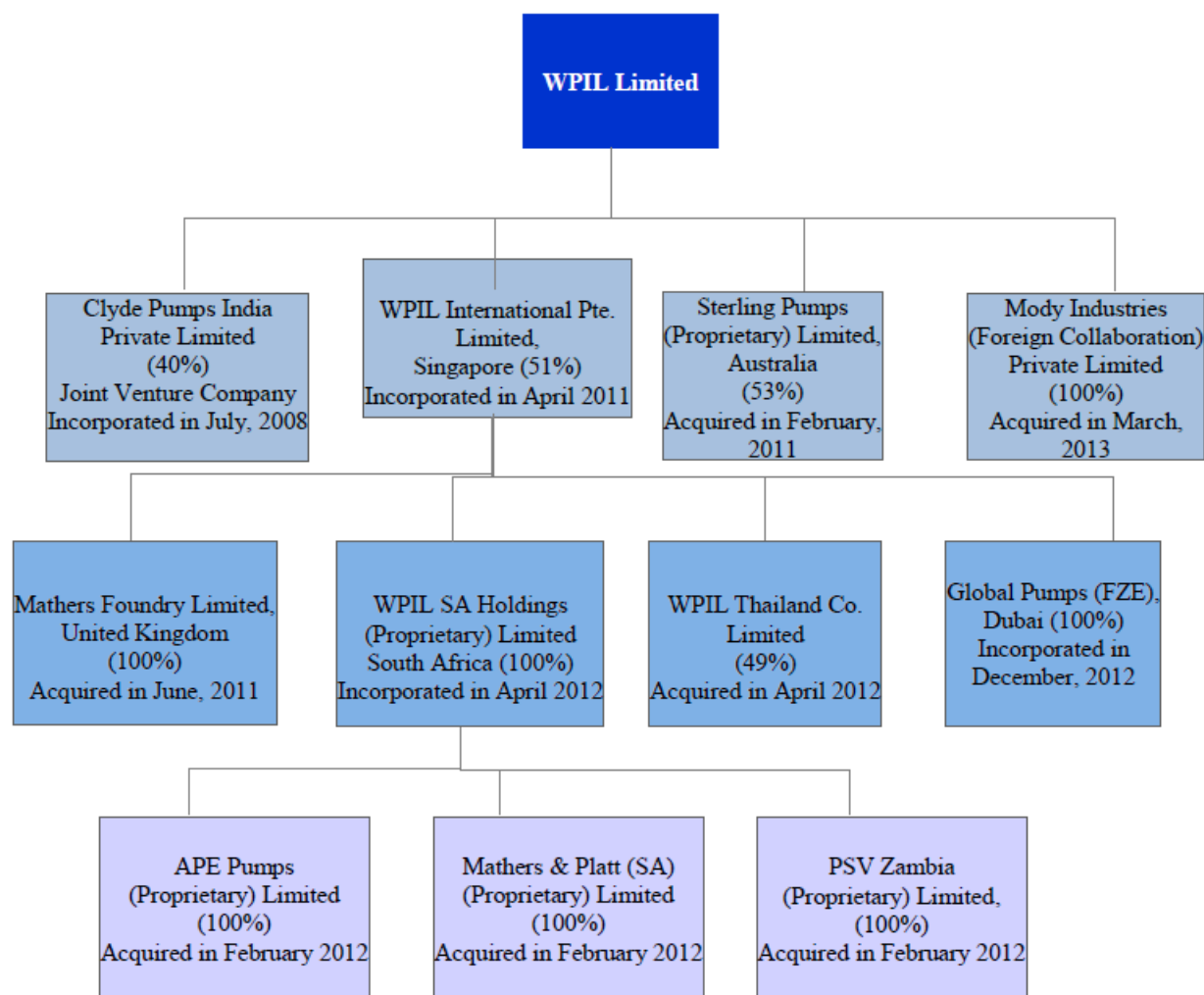
Manufacturing facilities of the Company

Three of the Company's manufacturing facilities are located in West Bengal and one each in Uttar Pradesh and Maharashtra. Except the manufacturing facility located in Panihati, Kolkata which is owned by the Company, all other manufacturing facilities of the Company are located on the premises leased to the Company.

The Company manufactures range of vertical pumps like vertical turbine, vertical mixed flow and vertical axial flow (propeller) pumps which offer specialized water handling solutions to the conventional power generation and the industrial sectors at our manufacturing facilities located in Kolkata.

At the manufacturing facility located at Ghaziabad, the Company manufactures standard pumps which are largely utilized in irrigation and water treatment systems, and our manufacturing facility located in Nagpur is not in the operational stage as on date. The Company intends to manufacture and supply pumps under the engineered pump division from the Nagpur facility.

Group holding structure



SUBSIDIARIES

A. WPIL International Pte. Limited, Singapore

WPIL International Pte. Limited (“**WPIL International**”) was incorporated on April 20, 2011 as a private limited company in Singapore with the objective of investment holding as principal and general wholesale trade (including general importers and exporters). The Company holds 2,714,911 ordinary shares of face value of 1 S\$ comprising 51% of the issued share capital of WPIL International and V.N. Enterprises Limited holds 2,608,444 ordinary shares of face value of 1 S\$ comprising 49% of the issued share capital of WPIL International.

WPIL International entered into a sale of shares agreement (“**SSA**”) with PSV Holdings Limited on February 20, 2012 for purchase of 100% issued share capital of each of Mather and Platt (SA) (Proprietary) Limited (“**Mather and Platt**”), PSV Properties 2 (Proprietary) Limited (“**PSV Properties 2**”), PSV Services (Proprietary) Limited (“**PSV Services**”), PSV Zambia (Proprietary) Limited (“**PSV Zambia**”) and APE Pumps (Proprietary) Limited (“**APE Pumps**”). Subsequently, pursuant to a deed of novation dated June 11, 2012 entered between PSV Holdings Limited, WPIL International and WPIL SA Holdings (Proprietary) Limited (“**WPIL SA Holdings**”), WPIL International transferred its rights, benefits, obligations and liabilities under the SSA to WPIL SA Holdings resulting in transfer of entire issued capital of Mather and Platt, PSV Properties 2, PSV Services, PSV Zambia and APE Pumps held by WPIL International in favour of WPIL SA Holdings. Later on, PSV Services and PSV Properties 2 merged with APE Pumps, pursuant to sale of business agreement dated October 2, 2012.

1. Mathers Foundry Limited, United Kingdom

Mathers Foundry Limited (“**Mathers Foundry**”) was incorporated on September 16, 2008 as a private limited company in England and Wales with the objective to carry on a business as a general commercial company. At the time of incorporation, the entire shareholding of Mathers Foundry was owned and controlled by Westley Group Limited. The Company entered into a share purchase agreement with Westley Group Limited on July 6, 2011 for purchase of 500,000 ordinary shares of £ 1 each of Mathers Foundry comprising 100% shareholding of the Company in Mathers Foundry. Also, the Company entered into a deed of Novation with Westley Group Limited and WPIL International on July 6, 2011 transferring its rights, benefits, obligations and liabilities under the share purchase agreement to WPIL International resulting in transfer of entire issued capital held by the Company in Mathers Foundry to WPIL International.

The foundry facility is located in Park Works Grimshaw Lane, Newton Heath Manchester M 40 2BA and principal activity of Mathers Foundry is the production and machining of castings in high grade stainless steels for supply of quality steel castings which involve a wide range of castings in carbon steels, low alloy steels, chromium-molybdenum steels, nickel alloys, stainless steels including super duplex, duplex and other grades in high strength, corrosion resistant stainless steel that resists all forms of corrosion attack in seawater. The products and services are supplied to the oil & gas; chemical & petrochemical; water & marine; mining; pollution control; food processing; general engineering and desalination markets.

2. WPIL SA Holdings (Proprietary) Limited, South Africa

WPIL SA Holdings was incorporated on April 16, 2012 as a private limited company under the laws of Republic of South Africa with the objective of investment holding as principal and all business related thereto. WPIL International holds 100% shareholding in WPIL SA Holdings. The registered office of WPIL SA Holdings is located at ERF 26, Wadeville Township, Registration Division I.R., Province of Gauteng, South Africa.

i. Mather and Platt (SA)

Mather and Platt (SA) was incorporated on October 1, 2008 as a company having a share capital under the laws of Republic of South Africa. The manufacturing facility of Mather & Platt(SA) is located at 26, Wadeville Township, Registration Division I.R., Province of Gauteng, South Africa. Mather & Platt(SA) provides internal gear pumps and strainers required in niche markets, pumping oils, bitumen, tars, gases, molasses, paints and adhesives; submersible, drainage and slurry pumps for mining and industrial applications; Submersible sewage and waste water pumps; and range of centrifugal pumps comprising of submersible drainage pumps, vertical multi stage pump, jet pumps, cast iron end suction pumps to suit all clear water industrial applications. In addition, it offers horizontal split casing, multistage end section, and vertical pumps, as well as provides repairs and refurbishment services for its existing pumps.

ii. PSV Zambia

PSV Zambia was incorporated on March 26, 2002 as a private limited company under the laws of Republic of Zambia. PSV Zambia is based in Kitwe, in the north eastern part of Zambia in close proximity to the mines on the copper belt. PSV Zambia distributes and sells all products supplied by APE Pumps to the Zambian market. PSV Zambia has established repair and refurbishment facilities in Zambia which is located at Plot no 4065, Mulilakwenda Road, Industrial Area, Kitwe.

iii. APE Pumps

APE Pumps was incorporated on May 22, 2007 as a company having a share capital under the laws of Republic of South Africa. The manufacturing facilities of APE Pumps are located at ERF 26, Wadeville Township, Registration Division I.R., Province of Gauteng, South Africa and Portion 1 of ERF 549, Wadeville Township, Registration Division I.R., Province of Gauteng, South Africa for manufacturing of vertical turbine pumps, split-casing, end suction and vertical sump pumps for petrochemical Industries and multi stage high pressure pumps. APE Pumps Pty Limited designs, manufactures and refurbishes pumps and also offers maintenance, repairs, and spare parts supply services. APE Pumps Pty Limited offers its pumps and spares to municipalities, ports and harbors, and water authorities, as well as to mining, pulp and paper, mineral benefactions, power generation, and petrochemical industries.

3. **Global Pumps Services (FZE)**

Global Pumps Services (FZE) was incorporated on December 30, 2012 as a free zone established with limited liability under the laws of Sharjah with the objective of commercial general trading. WPIL International holds 100% ownership in Global Pumps Services (FZE).

B. **Sterling Pumps (Proprietary) Limited, Australia**

Sterling Pumps (Proprietary) Limited (“**Sterling Pumps**”) was incorporated on April 30, 2004 as a company limited by shares under the laws of Australia with the objective of supplying and the manufacturing and assembling and designing of agricultural and industrial pumps, vertical turbine pumps, submersible pumps and motors and all associated equipment including design for supply and distribution in Australia and all overseas markets. The shareholders deed was entered between the Company, Merryco Pty Limited and Sterling Pumps on February 1, 2011. Pursuant to the shareholders deed, Merryco Pty Limited transferred 8 ordinary shares of face value of 1 A\$ each of Sterling Pumps to the Company comprising 53% of the issued capital of Sterling Pumps. The manufacturing facility of Sterling Pumps is located at 14 Sharnet Circuit Pakenham Victoria, 3810 Australia.

C. **Mody Industries (Foreign Collaboration) Private Limited**

Mody Industries (Foreign Collaboration) Private Limited (“**Mody Industries**”) was incorporated on August 28, 1957 as a private limited company under the Companies Act, 1956 with the objective of manufacturing and supplying submersible dewatering pumps/ sewage pumps to the customers in irrigation, water utility, infrastructure and industrial sector including manufacturing and supplying of pumps to Indian Navy. The Company holds 22,625 equity shares of face value of ₹ 100 each in Mody Industries comprising 100% of issued and paid-up capital of Mody Industries. The manufacturing facility of Mody Industries is located at Plot No C-41, Road No. 34, Wagle Industrial Estate, Thane – 400 604, Maharashtra.

JOINT VENTURE

Clyde Pumps India Private Limited

The Company entered into a shareholders agreement dated July 25, 2008 with Clyde Pumps Limited, U.K. (“**Clyde**”) for incorporation of a joint venture company namely Clyde Pumps India Private Limited (“**Clyde Pumps**”), for the purpose of exclusively promoting products and services of Clyde in India, providing route to products of the Company in International market, providing after-market services to the Indian power sector, providing a high quality and reliable non-exclusive supply chain for component parts and sub-assemblies for Clyde, for manufacturing, assembling and testing products of Clyde in India and for manufacturing, assembling and testing engineered to order products of Clyde in India. The vertical turbine pumps designed by the Company and Clyde and manufactured by the Company will be sold through Clyde Pumps in the international market. The issued, subscribed and paid up share capital of Clyde Pumps is ₹ 10 million comprising 10,00,000 ordinary shares of ₹ 10 each. The shareholding of Clyde and the Company in Clyde Pumps is 60% and 40%, respectively.

Clyde Pumps was incorporated on May 16, 2008 as a private limited company under the Companies Act, 1956. The repair and refurbishment and assembly facility of Clyde is located at our premises at A-5, Sector – 22, Meerut Road Ghaziabad – 201 003, Uttar Pradesh, which has been leased to Clyde.

Competition

We compete with domestic and leading international pump manufacturers. The Indian pump market is highly fragmented, with small, specialised players represented in single industries, lines of pump and/or geographic regions. As a result, the Company tends to compete with small industrial pump manufacturers in each of the sectors in which it operates. Customers tend to work with manufacturers that have local engineering expertise and that have a track record of delivering and installing pumps on time. We also face competition with domestic competitors who have diversified product portfolio or a comparable R&D platform.

Insurance

The Company maintains fire insurance policy for factory building, plant, machineries and accessories and stock of raw material of 3 manufacturing facilities located in Kolkata and burglary and fire insurance policy for the manufacturing facility located in Uttar Pradesh.

Properties

Our registered office are located at Trinity Plaza, 3rd Floor, 84/1A, Topsia Road (South) Kolkata – 700 046, in leased premises. As of September 30, 2014, out of 14 properties, 12 properties are in the premises leased to us and 2 properties are in the premises owned by us.

Below are the brief details of the manufacturing facilities of the Company on leasehold or freehold basis:

Sr. No.	Description of the manufacturing facility	Leasehold/Freehold
1.	Plot No. 1-1-2A-1-1A-1/P/1/C, MIDC, Butibori Industrial Area, Nagpur – 441 122	Leased for period of 3 years with effect from June 1, 2012
2.	Biren Roy Road (West), Ganipur, Mahestala, 24 Parganas (South) – 743 352	Leased for period of 3 years with effect from May 1, 2014
3.	180/176 Upen Banerjee Road, Kolkata – 700 060	Leased for period of 3 years with effect from July 1, 2012
4.	A-5, Sector 22, Meerut Road, Ghaziabad – 201 003	Leased for period of 90 years with effect from October 6, 1970
5.	22 Feery Fund Road, Panihati, 24 Paraganas (North)	Freehold

Additionally, six branches of the Company are located in Kolkata, Chennai, Bangalore, Bhubhaneshwar, Indore and Ahmedabad which are leased to the Company and the branch located in Hyderabad is on the premises owned by the Company.

Employees

As of September 30, 2014, the Company has 435 employees. The total number of employees of the Company, as of March 31, 2014, March 31, 2013 and March 31, 2012, were 423, 432 and 430, respectively. Employees of the Company include experts in the areas of sales, risk management, treasury, relationship management, information technology.

Corporate Social Responsibility (“CSR”)

The Board of Directors of the Company has constituted a corporate social responsibility committee consisting of three Directors one of whom is Independent. The Board will ensure that at least 2% of the average net profit of the preceding three years is spent on the corporate activities every year. The CSR Committee will review, approve and validate the spending on CSR activities. The approach of the Company is to bring about sustainable development through balancing commercial and economic progress with social and environmental development. Schedule VII of the Companies Act 2013, outlined the categories of activities which a company is required to undertake for fulfillment of its obligation towards CSR.

It is the vision of the Company to empower the community through socio-economical development of underprivileged and weaker sections. In pursuit to its vision, the company may in its own or in association with registered NGO, focus in one or more of the following activities as:-

- 1) Eradicating extreme hunger, poverty, and malnutrition, promoting preventive health care and sanitation and availability of safe drinking water.
- 2) Ensuring environmental sustainability and conservation of natural resources and maintaining quality of water.

- 3) Contribution to Prime Minister National Relief Fund or any other fund set up by Central Government for socio-economic development and relief and welfare of the Scheduled Castes, Scheduled Tribes, OBCs, minorities and women.

SUPERVISION AND REGULATION

The following description is a summary of certain laws and regulations in India, which are applicable to the Company. The information detailed in this section has been obtained from publications available in the public domain. The regulations set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice.

LABOUR AND EMPLOYEE RELATED STATUTES

The Contract Labour (Regulation and Abolition) Act, 1970

The Contract Labour (Regulation and Abolition) Act, 1970 (the “**Contract Labour Act**”) has been enacted with the objective to regulate the employment of contract labour in (a) every establishment in which 20 or more or more workmen are employed or were employed on any day of the preceding twelve months as contract labour; and (b) to every contractor who employs or who employed on any day of the preceding 12 months, 20 or more workmen. The Contract Labour Act does not apply to establishments in which work only of an intermittent or casual nature is performed. The Contract Labour Act provides for the constitution of Central and State Advisory Boards to advise the concerned governments on matters arising out of the administration of the Contract Labour Act.

The Factories Act, 1948

The Factories Act, 1948 (the “**Factories Act**”) regulates the labour employed in factories with an objective to provide for the safety, health, and welfare of the workers. The Factories Act defines ‘factory’ as any premise which is employing or has employed on any day 10 or more workers where a manufacturing process is being carried out in the previous 12 months with the aid of power or any premises where there were or are at least 20 workers working in the previous 12 months even if there was no manufacturing process being carried out with the aid of power. ‘Occupier’ has been defined in the Factories Act as the person who possesses ultimate control over the factories’ affairs and in case it is a company the occupier will be one of its directors, who must ensure the safety, health and welfare of the workers working in the factory, with emphasis on the safety and proper maintenance of the factory so that it poses no health risk. The Factories Act provides for punishment by way of both fine and imprisonment by the adjudicating officer in case of non-adherence of the provisions of the Factories Act. The Factories Act also provides for safety mechanism of certain equipment used in factories and procedure for periodic examination of equipment such as plant and machinery. The Factories Act also includes specific provisions which are applicable to women and children employed in the factories.

The Employees’ State Insurance Act, 1948

The Employees’ State Insurance Act, 1948 (the “**ESI Act**”) applies to all factories excluding seasonal factories but including governmental factories which employ 10 or more employees and carry on manufacturing process with the aid of power (20 employees where manufacturing process is carried out without the aid of power). The ESI Act generally extends to shops and establishments employing more than 20 employees. The ESI Act lays down provisions for the benefit of employees in cases of sickness, employment injury and maternity. The employees receive medical relief, cash benefits, maternity benefits, pension to dependents of deceased workers and compensation for fatal injuries and diseases under the provisions of the ESI Act.

The Payment of Bonus Act, 1965

The applicability of the Payment of Bonus Act, 1965 (the “**Payment of Bonus Act**”) extends to every factory and every establishment in which more than 20 people are employed on any given day during the accounting year. A statutory liability is imposed upon the employers of every establishment covered under the Payment of Bonus Act to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and links the payment of bonus with the production and productivity. The Inspecting Officers/Inspectors enforce the provisions of the Payment of Bonus Act in their respective territorial jurisdictions assigned to them under the administrative control of the respective Labour Officers, Assistant Labour Commissioners and Deputy Labour Commissioners. The Payment of Bonus Act places an obligation on every employer covered thereunder to prepare and maintain certain registers, records and other documents. The punishment provided for contravention of any provisions of the Payment of Bonus Act or any rule made there under

is imprisonment for a term, which may extend for six months or with fine, which may extend to ₹ 1000/- or with both.

The Minimum Wages Act, 1948

The Minimum Wages Act, 1948 was enacted to safeguard the interests of workers, mostly in the unorganised sector by providing for the fixation of minimum wages in certain specified employments. It binds the employers to pay their workers the minimum wages fixed from time to time. Under the Act, both the Central Government and the State Governments are the appropriate Governments to fix, revise, review and enforce the payment of minimum wages to workers in respect of 'scheduled employments' under their respective jurisdictions.

Workmen Compensation Act, 1923

The Workmen's Compensation Act, 1923 provides for payment of compensation to workmen and their dependents in case of injury and accident (including certain occupational disease) arising out of and in the course of employment and resulting in disablement or death. The amount of compensation to be paid depends on the nature of the injury and the average monthly wages and age of workmen. The minimum and maximum rates of compensation payable for death (in such cases it is paid to the dependents of workmen) and for disability have been fixed and is subject to revision from time to time.

The Industrial Disputes Act, 1947

The Industrial Disputes Act, 1947 ("IDA") is the main legislation for investigation and settlement of all industrial disputes. The IDA enumerates the contingencies when a strike or lock-out can be lawfully resorted to, when they can be declared illegal or unlawful, conditions for laying off, retrenching, discharging or dismissing a workman, circumstances under which an industrial unit can be closed down and several other matters related to industrial employees and employers. The IDA is administered by the Ministry of Labour through its Industrial Relations Division. Under the IDA, statutory machinery has been constituted for conciliation and adjudication of industrial disputes.

Payment of Wages Act, 1936

The Payment of Wages Act, 1936 is a central legislation which has been enacted to regulate the payment of wages to workers employed in certain specified industries and to ensure a speedy and effective remedy to them against illegal deductions and/or unjustified delay caused in paying wages to them. It applies to the persons employed in a factory, industrial or other establishment or in a railway, whether directly or indirectly, through a sub-contractor. The Central Government is responsible for enforcement of the Payment of Wages Act in railways, mines, oilfields and air transport services, while the State Governments are responsible for it in factories and other industrial establishments. An action in contravention to the provision of the Wages Act may result in imprisonment or fine or both.

Employee's Compensation Act, 1923

The Employee's Compensation Act provided for cases where personal injury is caused to a workman by accident or out of and in the course of employment. In this case the employer would be liable to pay the workman compensation in accordance the Workman's Compensation Act. But no compensation is required to be paid if the worker did not follow orders given or willfully disobeyed safety rules or the injury was a result of his own neglect or was under the influence of drugs or alcohol during work hours and such injury caused did not lead to death or any kind of disablement.

Payment of Gratuity Act, 1972

The Payment of Gratuity Act provides that an employee who has been in continuous service for a period of five years will receive gratuity upon his resignation or retirement, superannuation or death or disablement due to disease or accident. The completion of continuous service for five years is not necessary if the termination of an employee is due to death or disablement. An employee in a factory is said to be in "continuous service" for a certain period notwithstanding that the service has been interrupted during that period by sickness, accident, leave, lay-off, strike, lock-out or cessation of work which is not the workers fault. The employee is deemed to be in continuous service if the employee has worked for 190 days in the case where the employee is employed below the ground in the mine or in an establishment which works for less than six days in a week and 240 days in any other case.

Employees Provident Fund and Miscellaneous Provisions Act, 1952

The umbrella legislation relating to provident fund is the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 (the “**EPF & MP Act**”). The Act was enacted with the main objective of making some provisions for the future of industrial workers after their retirement and for their dependents in case of death. It provides insurance to workers and their dependents against risks of old age, retirement, discharge, retrenchment or death of the workers. It is applicable to every establishment which is engaged in any one or more of the industries specified in Schedule I of the EPF & MP Act or any activity notified by Central Government in the Official Gazette and employing 20 or more persons.

The Maternity Benefit Act, 1961

The Maternity Benefit Act, 1961 (the “**Maternity Benefit Act**”) has been enacted with the object of regulating the employment of pregnant women and to ensure that they are entitled to paid leave for a period specified during and after their pregnancy. The Maternity Benefit Act provides for payment of maternity benefits and medical bonus added to enacting prohibitions on dismissal and reduction of wages paid to pregnant women.

The Industries (Development and Regulation) Act, 1951 (the “IDRA”)

Industries (Development and Regulation) Act, 1951 (the “**IDRA**”) was enacted to provide the Central Government with the means to implement industrial policies. The purpose for the enactment of the IDRA is to develop and regulate industries in India by the Central Government. The objective of the IDRA is to empower the government to take necessary steps for the development of industries and regulate the pattern of industrial development. The IDRA also seeks to control the activities, performance and results of industrial undertakings in public interest. The IDRA is applicable to the ‘Scheduled Industries’ listed in the First Schedule of the IDRA however small industrial undertaking scale and ancillary units have been exempted from the IDRA.

ENVIRONMENTAL RELATED STATUTES

Our Business is subject to the countries environment laws and regulations. The applicable laws vary from operation to operation and also depend on the jurisdiction in which we operate. The occupier of the facility is responsible for the strict adherence of the environmental laws. Our business operations require various environmental clearances and other permits covering water use and discharge, stream diversion, air and solid waste emission. The significant environmental laws applicable to the Company’s operation include Water (Prevention and Control of Pollution) Act 1974, (“**Water Act**”), the Air (Prevention and Control of Pollution) Act, 1981, (“**Air Act**”), and the Environment Protection Act, 1986, (“**EPA**”). The purpose of enacting these statutes is to control and prevent air, water and environmental pollution. To achieve these objectives Pollution Control Boards (“**PCBs**”) are given powers so that they can deal with establishments who are flouting the environmental laws of the country. It is the responsibility of the PCBs to set the standards for maintenance of clear water and air, directing the installation of pollution controlling devices in industries and undertaking inspection so that the industries are functioning while adhering to the prescribed standards. For effective enforcement of the environmental laws the authorities have been given the powers of search and seizure and also to investigate the concerned establishment who has been found violating the environmental laws. The industries are required to obtain consent orders and regularly renew them from the PCBs which are a proof of the fact that the concerned establishment is functioning in accordance with the environmental laws of the land.

The Air (Prevention and Control of Pollution) Act, 1981, as amended (the “Air Act”)

The Air Act makes it is mandatory for any person who has established or operates any industrial plant within an air pollution control area to obtain the consent of the relevant State Pollution Control Board (“**SPCB**”) before establishing or operating such industrial plant. The SPCB has to grant consent within a period of four months from the receipt of an application and also reserves the powers to impose conditions which related to pollution control equipment that have to be installed in the establishment. The SPCB prescribes the permissible limit of discharge of any emission to any industrial establishment operating in an air pollution control area. The Air Act provides powers to the Central Pollution Control Board to specify standards for air quality while the SPCB has power to inspect any control equipment or manufacturing process. Any industrial establishment which fails to comply with the provisions of the Air Act will be liable to a fine and/or imprisonment for a period of six years.

The Water (Prevention and Control of Pollution) Act, 1974, as amended (the “Water Act”)

The Water Act was enacted with the aim to prevent and control water pollution in addition to restoring water quality by establishing and empowering the Central Pollution Control Board and the SPCB. Any person who is establishing an industry and operates any treatment or disposal system or uses any new or altered outlet for the discharge of sewage or new discharge of sewage has to obtain the consent of the concerned SPCB who has the authority to set standards and conditions that are to be complied with under the Water Act. In some instances the SPCB has the power to direct the local Magistrate to restrain the person who is likely to cause such pollution while operating his industrial establishment. Any contravention of the provisions laid down by the Water Act will warrant a fine or/and imprisonment or both. The Central Pollution Control Board has the power to specify and modify standards for streams and wells while the SPCB has powers to inspect any sewage or trade effluents, to review plans, specifications relating to the plants set up for the treatment of water and to advise the State Government with respect to the suitability of a particular area for carrying on any industry which may have an effect on any stream or any premises or location for carrying on any industry likely to pollute a stream or a well and to obtain information from any industry and to take emergency measures in case of pollution to any stream or well. The Central Pollution Control Board may establish or recognize a laboratory so as to enable itself to function with maximum efficiency.

The Environment (Protection) Act, 1986, as amended (the “EPA”)

The objective of the EPA is to provide for the protection and improvement of the environment. The Government of India has been vested by the EPA to take any measure it deems fit or necessary for protecting and improving the quality of the environment and to prevent and control environment pollution. This includes making rules and regulations which lay down the quality of environment, standard of emission of discharge of environment pollutants from a variety of sources, inspection of any premise, plant, machinery, equipment and examination of manufacturing process and materials which is likely to cause environmental pollution. The EPA lays down provisions which state the compliances required for a person handling hazardous substances and furnishing information to the authorities as and when required. The EPA also provides for the establishment of laboratories and appointment of Government analysts.

The Hazardous Wastes (Management and Handling) Rules, 1989

The Hazardous Wastes (Management and Handling) Rules, 1989 lays down the procedure by which the occupier and the operator of a facility treat, collect, store and dispose of hazardous waste. The concerned SPCB has to be notified immediately in the event of an accident that has occurred in a hazardous site or during the transportation of hazardous waste. If any damage is caused to the environment while handling of any hazardous waste then the occupier or the operator of the facility will be liable to pay remedial expenses and/or penalties.

TAX RELATED STATUTES

Value Added Tax

Value Added Tax (“VAT”) is a system of multi-point levy on each of the entity of the supply chain with the facility of set-off of input tax where tax is paid at the stage of purchase of raw materials by the manufacturer and purchase of goods by the trader. Tax is subject to only the value addition in the hands of each entity. The fundamental element of VAT is to provide set-off for the tax paid earlier and this is given effect through the conception of input tax credit. The value addition to good basis, the VAT and the liability of the dealer for VAT is calculated by deducting input tax credit for tax that is collected through sales during a specified period. As of now all the states have adopted the VAT system.

Sales Tax

Sales Tax is the tax levied on the sale of goods and is governed by both the Central and State Government. The Union parliament has passed The Central Sales Tax Act, 1966 which regulates the levy and collection and distribution of tax on the purchase and sale of goods made in the course of inter-state commerce and trade. Each state provided for its own Sales Tax rate which will be applicable to it.

Customs Duty

The Tax levied at the time of importing any goods, is called Customs Duty. The Customs Act, 1962 is the fundamental law that levies and collects custom duty on imports and exports of goods from India. But the Customs Duty is prescribed under the Customs Tariff Act, 1975 in addition to the various notifications published by the central government in its Official Gazette.

Central Excise

A liability is imposed on the manufacturer to pay excise duty on production or manufacturing of goods. The levy and collection of excise duty and also the procedure for clearance from factory once the goods have been manufactured is provide by the Central Excise Act, 1944. Moreover the Central Excise Tariff Act, 1985 has prescribed the rates of excise duties for various goods.

Goods and Service Tax

GST or the Goods and Services Tax is an indirect tax that brings together most of the taxes that are imposed on all goods and services (except a few) under a single banner. This is in contrast to the current system, where taxes are levied separately on goods and services. Goods and Service Tax permits set off on tax paid for purchase of input service and inputs. It is expected that GST will broaden the tax base and increase the competitiveness by reducing consumption tax on exports. The Goods and Service Tax bill has not yet been passed by the parliament.

LAWS RELATED TO INTELLECTUAL PROPERTY

Trade Marks Act, 1999

Indian law on Trade Mark is provided for in the Trade Mark Act, 1999. Trademark is mark used for goods so as to indicate a connection during the course of trade between some person having the right as proprietor to use the mark and the good. A 'Mark' may consist of a word or invented word, device, letter, brand, heading, label, numeral, signature, or any combination of colors and so forth. Once an application for a trademark has been made it is advertised in the trademark journal and if there is no opposition against it and it is satisfactorily adjudicated upon, a certificate of registration is issued. The registered user or the registered proprietor has the right to use the mark for commercial reason or the like. The term for a registered trade mark is 10 years and can be renewed for a similar period by paying the prescribed fees for renewal.

FOREIGN INVESTMENT RELATED REGULATIONS

The Reserve Bank of India ("**RBI**") issues notifications, rules and regulations from time to time which in addition to the Foreign Exchange Management Act, 1999 ("**FEMA**") governs the foreign investments in India. The Department of Industrial Policy and Promotion ("**DIPP**") prescribes policies which provide for whether or not approval of the Foreign Investment Promotion Board ("**FIPB**") is required for the activities which foreigners carry out in India. It is laid down by the FEMA regulations that no prior consent and approvals are required from the RBI or the FIPB if the investment is within the specific sectoral cap under the automatic route. However if the foreign investment with respect to industries not specified as Foreign Direct Investment ("**FDI**") under the automatic route is in excess of the sectoral cap then the approval of the FIPB and/or the RBI may be required. The DIPP prescribes the limits and conditions subjected to in which foreign investments can be made in the different sectors of the Indian Economy. An industrial licensee would also be required under the Industries (Development & Regulation) Act, 1951 for an undertaking involved in the manufacturing enterprise. The industrial licensee would be subject to certain general and specific conditions.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Board of Directors

The Board presently consists of six Directors, and as per our Articles of Association, we shall not have less than three Directors and not more than 12 Directors. The quorum for meetings of the Board is one third of the total number of Directors or two Directors, whichever is higher. Pursuant to the provisions of the Companies Act, at least two-thirds of the total number of Directors excluding the Independent Directors are liable to retire by rotation, with one-third of such number retiring at each annual general meeting. A retiring Director is eligible for re-election. Further, the Independent Directors may be appointed for a maximum of two terms of up to five consecutive years each. Any re-appointment of Independent Directors shall *inter-alia* be on the basis of the performance evaluation report and approved by the shareholders by way of special resolution.

The following table sets forth details regarding the Board of Directors as of the date of this Placement Document:

Sr. No.	Name, Address, Occupation, DIN, Term and Nationality	Age	Designation	Other Directorships
1.	Mr. Prakash Agarwal Address: 5 Raja Santosh Road, Alipore, Kolkata – 700 027 West Bengal India Occupation: Industrialist DIN: 00249468 Term: Until October 31, 2016 Nationality: Indian	43	Managing Director	1. V.N. Enterprises Limited 2. H.S.M. Investments Limited 3. Revox Enterprises Private Limited 4. Hindusthan Udyog Limited 5. Bengal Steel Industries Limited 6. Hindustan Persons Limited 7. Macneill Electricals Limited 8. Spaans Babcock India Limited 9. Morgan Finvest Private Limited 10. Livelife Buildcon Private Limited 11. Clyde Pumps (India) Private Limited 12. Mody Industries (Foreign Collaboration) Private Limited 13. WPIL International Pte. Limited (Singapore) 14. APE Pumps Pte. Limited (South Africa) 15. Mathers Foundry Limited (UK) 16. Mather and Platt (SA) Pty. Limited (South Africa) 17. PSV Services Pty. Limited (South Africa) 18. PSV Properties 2 Pty. Limited (South Africa) 19. WPIL SA Holdings Pty.

Sr. No.	Name, Address, Occupation, DIN, Term and Nationality	Age	Designation	Other Directorships
				Limited (South Africa) 20. Global Pump Services (FZE) (Dubai) 21. Sterling Pumps Pty. Limited (Australia) 22. WPIL (Thailand) Company Limited (Thailand)
2.	Mr. K. K. Ganeriwala Address: A – 42, C.I.T. Buildings 30, Madan Chatterjee Lane Kolkata – 700 007 West Bengal India Occupation: Service DIN: 00408722 Term: Until October 31, 2016 Nationality: Indian	51	Whole time Director	1. Bengal Steel Industries Limited 2. Hindustan Persons Limited 3. Macneill Electricals Limited 4. Tea Time Limited 5. Orient International Limited 6. Asutosh Enterprises Limited 7. V.N. Enterprises 8. Bharath Oil & Chemical Industries Limited 9. Neptune Exports Limited 10. Huwood Hindusthan Pvt. Limited 11. Bengal Central Building Society Limited 12. AKA Washeries India Private Limited 13. Mody Industries (Foreign Collaboration) Private Limited 14. WPIL International Pte Ltd (Singapore) 15. APE Pumps Pte Limited 16. Mathers Foundry Limited (UK) 17. Mather and Platt (SA) Pty Limited (South Africa) 18. PSV Services (Pty) Limited (South Africa) 19. PSV Properties 2 Pty. Limited (South Africa) 20. WPIL SA Holdings Pty. Limited (South Africa) 21. Global Pump Services (FZE) (Dubai)
3.	Mr. V. N. Agarwal Address: 5, Raja Santosh Road, Alipore,	75	Non-Executive Director	1. Tea time Limited 2. Neptune Exports Limited 3. Orient international Limited 4. Asutosh Enterprises

Sr. No.	Name, Address, Occupation, DIN, Term and Nationality	Age	Designation	Other Directorships
	Kolkata – 700 027 West Bengal India Occupation: Industrialist DIN: 00408731 Term: Liable to retire by rotation Nationality: Indian			Limited 5. V. N. Enterprises Limited 6. HSM Investments Limited 7. Sagarpriya Distributors Private Limited 8. Hindusthan Udyog Limited 9. Bengal Steel Industries Limited 10. Spaans Babcock India Limited 11. Northern Projects Limited 12. Hindusthan Parsons Limited 13. Mody Industries (Foreign Collaboration) Private Limited 14. WPIL International Pte. Limited (Singapore)
4.	Mr. Samarendra Nath Roy Address: C/4/9, Green Tower, 18/2, Uday Sanker Sarani, Golf Green, Kolkata – 700 095 West Bengal India Occupation: Retired DIN: 00408742 Term: Until July 31, 2019 Nationality: Indian	71	Independent Director	1. North Dinajpur Power Limited 2. Rajgarh Bio Power Limited 3. Super Wind Project (P) Limited 4. Techno Ganga Nagar Green Power Generating Co. Limited 5. Techno Birbhum Green Power Generating Co. Limited 6. Techno Electric & Engineering Co. Limited 7. Simran Wind Project (P) Limited
5.	Mr. Binaya Kapoor Address: BI/44, Sector K Aligunj Lucknow – 226024 Uttar Pradesh India Occupation: Retired DIN: 00544162 Term: Until July 31, 2019 Nationality: Indian	79	Independent Director	1. Hindusthan Udyog Limited 2. Spaans Babcock India Limited
6.	Dr. Utpalkumar	70	Independent Director	1. Borosil Glass Work

Sr. No.	Name, Address, Occupation, DIN, Term and Nationality	Age	Designation	Other Directorships
	Mukhopadhyaya Address: 10-S Dilwara Maharshi Karve Road, Mumbai – 400021 Maharashtra India Occupation: Economist and Retired Indian Administrative Officer DIN: 02766045 Term: Until July 31, 2019 Nationality: Indian			Limited 2. Surya Rashmi Limited 3. Sun Risk Management & Insurance Broking Services Private Limited

Biographies of the Directors

Mr. Prakash Agarwal, aged 43 years, is the Managing Director. He holds degree in mechanical engineering from Manipal Institute of Technology. He has approximately 18 years of experience in engineering industry. His areas of expertise includes foray into manufacturing of new products and business development, business transformation, international marketing, foreign collaborations and joint ventures, acquisitions and mergers, setting up of new operations, and other aspects of industry He has been a Director on the Board of the Company since July 01, 2002.

Mr. K. K. Ganeriwala, aged 51 years, is a Whole time Director. He is a fellow member of the Institute of Company Secretaries of India and fellow member of the Institute of Cost and Management Accountants of India. He has extensive experience in area of finance, accounts, general management and operational aspects of the Company. He has approximately 27 years of experience in the areas of corporate affairs, finance, taxation, legal, mergers and acquisitions, investment management and other aspects of corporate management. He has been a Director on the Board of the Company since February 26, 2002.

Mr. V. N. Agarwal, aged 75 years, is a Non-Executive Director. He holds a degree in mechanical engineering. He has considerable experience and expertise in management of engineering industries. He has been a Director on the Board of the Company since April 26, 2001.

Mr. Samarendra Nath Roy, aged 71 years, is an Independent Director. He holds degree in bachelors of technology (Honours) in electrical engineering from IIT Kharagpur. He has experience in project management and execution of significant engineering projects. Mr. Samarendra Nath Roy was executive director of BHEL, Bhopal and Jhansi units. He has been a Director on the Board of the Company since May 23, 2005.

Mr. Binaya Kapoor, aged 79 years, is an Independent Director. He holds degree in bachelors of technology (Honours) in engineering from IIT, Kharagpur. He has vast experience in corporate management and administration and expertise in the field of engineering. He has been a Director on the Board of the Company since July 21, 2006.

Mr. Utpal Kumar Mukhopadhyaya, aged 70 years, is an Independent Director. He holds degree of Doctor of Economics from the University of Mumbai. He has experience in corporate finance, administration and other aspect of corporate management in diversified fields. He is a retired officer in Indian Administrative Services with considerable number of years of experience in the Maharashtra Government and the Central Government. He has been a Director on the Board of the Company since July 25, 2013.

Relationship with other Directors

Other than Mr. V. N. Agarwal who is father of Mr. Prakash Agarwal, none of the Directors are related to each other.

Further, none of our Directors were selected pursuant to any arrangement or understanding with major shareholders, customers or others.

Borrowing Powers of the Board

The shareholders of the Company pursuant to a special resolution passed through voting by postal ballot on October 22, 2014 provided consent to the Board in terms of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof) to borrow, for the purposes of the Company's business, any sum or sums of money from time to time at its discretion notwithstanding that such sum or sums of money together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves provided that the aggregate of all sums borrowed by the Board from time to time and remaining outstanding shall not exceed, at any point of time, ₹ 4000 million.

Interest of the Directors

All of the Directors may be deemed to be interested to the extent of fees payable to them for attending Board or Board committee meetings as well as to the extent of reimbursement of expenses payable to them. The Managing Director and Whole time Director also may be deemed interested to the extent of remuneration paid to them for services rendered.

All of the Directors may also be regarded as interested in any Equity Shares held by them and also to the extent of any dividend payable to them and other distributions in respect of such Equity Shares held by them. All Directors may also be regarded as interested in the Equity Shares held by, or subscribed by and allotted to, the companies, firms and trust, in which they are interested as directors, members, partners, trustees.

Our Directors may be deemed to be interested in the contracts, agreements or arrangements entered into or to be entered into by the Company with any partnership firm in which they are partners or a body corporate in which a director along with any other director holds more than 2% shareholding or is a promoter, manager or Chief Executive Officer. Please see "Related Party Transactions" in the section "Financial Statements" on page 147 of this Placement Document.

Except as otherwise stated in this Placement Document, we have not entered into any contract, agreement or arrangement during the preceding two years from the date of this Placement Document in which any of the Directors are interested, directly or indirectly, and no payments have been made to them in respect of any such contracts, agreements, arrangements which are proposed to be made with them.

As on the date of this Placement Document, none of the Directors have availed of any loan from the Company.

Shareholding of Directors

The following table sets forth the shareholding of the Directors as of September 30, 2014:

Sr. No.	Name of Director	Designation	No of Equity Shares as on September 30, 2014.	Percentage of Equity Shares to the total paid up capital
1.	Mr. Prakash Agarwal	Managing Director	1,96,442	2.47%
2.	Mr. K. K. Ganeriwala	Whole time Director	-	-
3.	Mr. V. N. Agarwal	Non-Executive Director	-	-
4.	Mr. Samarendra Nath Roy	Independent Director	-	-
5.	Mr. Binaya Kapoor	Independent Director	-	-
6.	Mr. Utpal Kumar Mukhopadhyay	Independent Director	-	-

Terms of appointment of the Managing Director and the Whole time Director

Mr. Prakash Agarwal, the Managing Director

Pursuant to the resolution of the Board dated October 30, 2013, the re-appointment of Mr. Prakash Agarwal as the Managing Director of the Company was approved by the shareholders pursuant to resolution dated July 31, 2014 for a period of three years with effect from November 1, 2013.

The details of remuneration of Mr. Prakash Agarwal, as approved by the shareholders of the Company pursuant to resolution dated July 31, 2014 with effect from November 1, 2013 are as under:

Sr. No	Particulars	Amount in ₹
a)	Salary	₹ 0.2 million per month
b)	Commission	At a rate of 1% of the profits of the Company subject to a ceiling of fifty percent of the annual salary.
c)	Perquisites	In addition to the above, Mr. Prakash Agarwal shall be entitled to perquisites like furnished accommodation, gas, electricity, water and soft furnishings, medical reimbursement and leave travel concession for self and family, club fees, medical insurance, Personal accident insurance, leave encashment, benefits of Provident Fund, Gratuity Fund, Car and telephone etc. in accordance with the rules of the Company. In case, no accommodation is provided by the Company to Mr. Prakash Agarwal, he will be paid house rent allowance at the rate of 60% of his basic salary. The aforesaid perquisites other than benefits of provident fund, gratuity fund, and leave encashment shall be restricted to the annual salary of Mr. Prakash Agarwal. Provided that the total remuneration payable to him by way of salary, commission, perquisites, contributions towards provident fund, and gratuity fund on his account shall not exceed 5% of the net profits of the Company calculated in accordance with Section 198 and 309 of the Companies Act, 1956 and Section 197 & 198 of the Companies Act, 2013. In the event of loss or inadequacy of profits in any year during the tenure of office, the remuneration payable to him for that year shall be determined and allocated by the Board within the ceiling limit laid down in paragraphs (A) of Section II of Part II of Schedule V to the Companies Act, 2013.

Mr. K. K. Ganeriwala, the Whole time Director

Pursuant to the resolution of the Board dated October 30, 2013, the re-appointment of Mr. K. K. Ganeriwala as the Whole time Director of the Company was approved by the shareholders pursuant to resolution dated July 31, 2014 for a period of three years with effect from November 1, 2013.

The details of remuneration of Mr K. K. Ganeriwala, as approved by the shareholders of the Company pursuant to resolution dated July 31, 2014 with effect from November 1, 2013 are as under:

Sr. No	Particulars	Amount in ₹
a)	Salary	₹ 0.15 million per month
b)	Commission	At a rate of 0.5% of the profits of the Company subject to a ceiling of fifty percent of the annual salary.
c)	Perquisites	In addition to the above, Mr. K. K. Ganeriwala shall be entitled to perquisites like furnished accommodation, gas, electricity, water and soft furnishings, medical reimbursement and leave travel concession for self and family, club fees, medical insurance, personal accident insurance, leave encashment, benefits of provident fund, gratuity fund, car and telephone etc. in accordance with the rules of the Company. In case, no accommodation is provided by the Company to Mr. K. K. Ganeriwala, he will be paid house rent allowance at the rate of 60% of his basic salary. The aforesaid perquisites shall be restricted to the annual salary of Mr. K.K.

		Ganeriwala. Provided that the total remuneration payable to him by way of salary, commission and perquisites and contributions towards provident fund, and gratuity fund on his account shall not exceed 5% of the net profits of the Company calculated in accordance with Section 198 and 309 of the Companies Act, 1956 and Section 197 & 198 of the Companies Act, 2013. In the event of loss or inadequacy of profits in any year during the tenure of office, the remuneration payable to him for that year shall be determined and allocated by the Board within the ceiling limit laid down in paragraphs (A) of Section II of Part II of Schedule V to the Companies Act, 2013.
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The following table sets forth total remuneration paid by us to Mr. Prakash Agarwal, the Managing Director and Mr. K. K. Ganeriwala, the Whole time Director for the current Fiscal Year 2015 (to the extent applicable) and for the Fiscal Years 2014, 2013 and 2012:

Fiscal Year 2015 (April 1, 2014 - November 30, 2014):

(₹ in million)

Sr. No	Name	Salary	Contribution to funds	Perquisites and Allowances	Commission	Total
1.	Mr. Prakash Agarwal	1.6	0.19	1.13	-	2.92
2.	Mr. K. K. Ganeriwala	1.2	0.14	0.83	-	2.17

Fiscal Year 2014:

(₹ in million)

Sr. No	Name	Salary	Contribution to funds	Perquisites and Allowances	Commission	Total
3.	Mr. Prakash Agarwal	2.05	0.38	1.23	1.03	4.69
4.	Mr. K. K. Ganeriwala	1.45	0.43	0.87	0.73	3.48

Fiscal Year 2013:

(₹ in million)

Sr. No	Name	Salary	Contribution to funds	Perquisites and Allowances	Commission	Total
1.	Mr. Prakash Agarwal	1.8	0.37	1.15	0.90	4.22
2.	Mr. K. K. Ganeriwala	1.2	0.24	0.93	0.60	2.97

Fiscal Year 2012:

(₹ in million)

Sr. No	Name	Salary	Contribution to funds	Perquisites and Allowances	Commission	Total
1.	Mr. Prakash Agarwal	1.8	0.37	1.15	0.90	4.22
2.	Mr. K. K. Ganeriwala	1.2	0.24	0.88	0.60	2.93

Compensation of the Directors

Non-executive Directors

Remuneration paid to other Non-Executive Directors

Pursuant to resolution dated July 31, 2014 passed by the shareholders of the Company, the Non-Executive Directors of the Company are entitled to commission not exceeding 1% of the net profit of the Company.

The following table sets forth all compensation paid by us to the present non-executive Directors of the Company for the current Fiscal Year 2015 (to the extent applicable) and for the Fiscal Years 2014, 2013 and 2012:

Fiscal Year 2015 (April 01, 2014 - November 30, 2014):

Sr. No.	Name of Director	Commission	Sitting fees(₹)		Total(₹)
			Nature of Meeting		
			Board	Committee	
1.	Mr. V. N. Agarwal	-	6,000	-	6,000
2.	Mr. S. N. Roy	-	4,000	4,000	8,000
3.	Mr. Binaya Kapoor	-	8,000	10,000	18,000
4.	Mr. Utpal Mukhopadhyav	-	4,000	4,000	8,000

Fiscal Year 2014:

Sr. No.	Name of Director	Commission	Sitting fees(₹)		Total(₹)
			Nature of Meeting		
			Board	Committee	
1.	Mr. V. N. Agarwal	100,000	8,000	-	108,000
2.	Mr. S. N. Roy	100,000	6,000	6,000	112,000
3.	Mr. Shyamal Mitra	-	6,000	14,000	20,000
4.	Mr. Binaya Kapoor	100,000	8,000	10,000	118,000
5.	Mr. Utpal Mukhopadhyay	50,000	2,000	-	52,000

Fiscal Year 2013:

Sr. No	Name of Director	Commission	Sitting Fees(₹)		Total(₹)
			Nature of Meeting		
			Board	Committee	
1.	Mr. V. N. Agarwal	1,00,000	8,000	-	1,08,000
2.	Mr. S. N. Roy	1,00,000	6,000	6,000	1,12,000
3.	Mr. Shyamal Mitra	1,00,000	8,000	16,000	1,24,000
4.	Mr. Binaya Kapoor	1,00,000	8,000	8,000	1,16,000

Fiscal Year 2012:

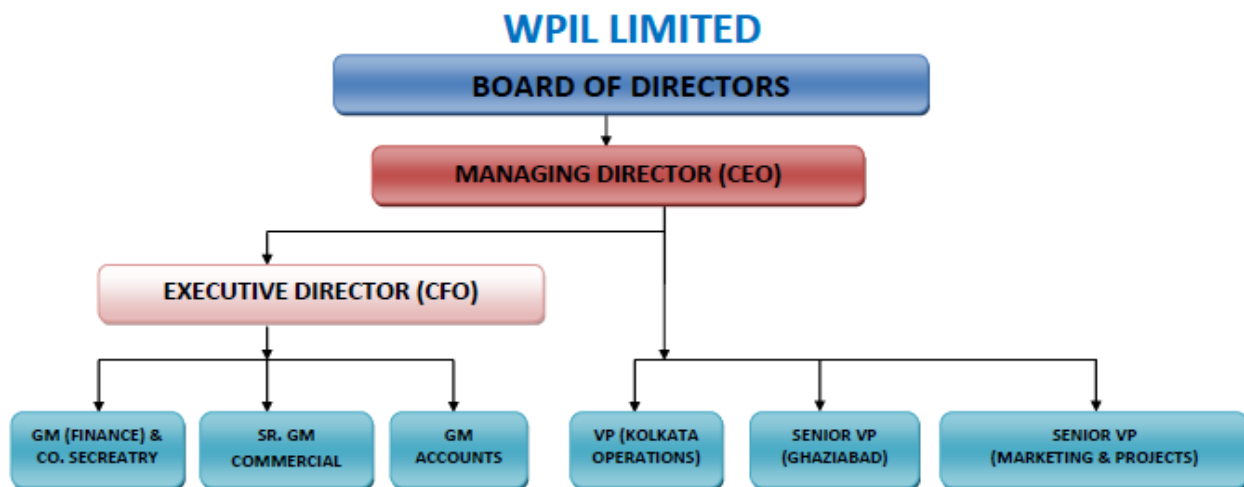
Sr. No.	Name of Director	Commission	Sitting fees(₹)		Total(₹)
			Nature of Meeting		
			Board	Committee	
1.	Mr. V. N. Agarwal	100,000	12,000	-	112,000
2.	Mr. S. N. Roy	100,000	10,000	8,000	118,000
3.	Mr. Shyamal Mitra	-	10,000	16,000	126,000
4.	Mr. Binaya Kapoor	100,000	8,000	8,000	116,000

Changes in the Board during the last three years:

Name of the Director	Date of change	Reasons for change
Mr. Ramesh kumar Srivastava	August 6, 2012	Appointment as independent director

Mr. Ramesh kumar Srivastava	October 8, 2012	Cessation due to resignation
Mr. Utpal Kumar Mukhopadhyaya	July 25, 2013	Appointment as independent director
Mr. Shyamal Mitra	February 2, 2014	Cessation due to death

Organizational Structure of the Company



Biographies of the key managerial personnel

Mr. Prakash Agarwal and Mr. K.K. Ganeriwala, directors of the Company are also the key managerial personnels. The brief biographies of our key managerial personnel have been disclosed under the section “– Biographies of the Directors” on page 97 of this Placement Document.

Shareholding Details of the Key Managerial Personnel

For details in relation to shareholding of the key managerial personnel, please see “– Shareholding of Directors” on page 98 of this Placement Document.

Interest of key managerial personnel

For details in relation to interest of key managerial personnel, please see “– Interest of the Directors” on page 98 of this Placement Document.

Corporate governance

The Board of Directors presently consists of 6 Directors. In compliance with the requirements of the Listing Agreement, the Board of Directors consists of 3 Independent Directors. The Company is in compliance with other corporate governance requirements under the Companies Act, 2013 in respect of notified guidelines /sections /rules as are applicable to the Company. The Company will also be required to comply with new corporate governance requirements under clause 49 of the Listing Agreement.

Committees of the Board of Directors

In line with the requirements of the provisions of the Companies Act, clause 49 of the Listing Agreement, our Board has constituted various committees as detailed below. Their constitution is for a more specific and focused approach towards some of the important functional areas of the Companies’ operations, for providing proper direction, effective monitoring and controlling the affairs of the Company. The committees meet at regular intervals for deciding various matters and providing directions and authorizations to the management for its implementation. The Board also takes note of minutes of the meetings of the committees duly approved by their respective chairman and the material

recommendations / decisions of the committees are placed before the Board for approval / information. The committees are as follows:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Share Transfer Committee;
4. Stakeholders Relationship Committee; and
5. Corporate Social Responsibility Committee

The following table sets forth the members of the aforesaid committees as of the date of this Placement Document:

Sr. No	Name of Committee	Members
A.	Audit Committee	Mr. Utpal Kumar Mukhopadhyay (Chairman), Mr. Samarendra Nath Roy, Mr. Binaya Kapoor and Mr. K. K. Ganeriwala
B.	Nomination and Remuneration Committee	Mr. Samarendra Nath Roy (Chairman), Mr. Binaya Kapoor and Mr. V.N. Agarwal
C.	Share Transfer Committee	Mr. Samarendra Nath Roy (Chairman), Mr. Prakash Agarwal and Mr. K.K. Ganeriwala
D.	Stakeholders Relationship Committee	Mr. Samarendra Nath Roy (Chairman), Mr. Prakash Agarwal and Mr. K.K. Ganeriwala
E.	Corporate Social Responsibility Committee	Mr. Utpal Kumar Mukhopadhyay (Chairman), Mr. Prakash Agarwal and Mr. K.K. Ganeriwala

Policy on disclosures and internal procedure for prevention of insider trading

Regulation 12(1) of the SEBI Insider Trading Regulations applies to the Companies and its employees and requires the Companies to implement a code of internal procedures and conduct for the prevention of insider trading. The Company has implemented a code of conduct for prevention of insider trading in accordance with the SEBI Insider Trading Regulations.

Other confirmations

Except as otherwise stated in this Placement Document, none of the Directors, nor the Promoters nor any key managerial personnel of the Company have any financial or other material interest in this Issue.

Related Party Transactions

For details in relation to the related party transactions entered by the Company during the last three Fiscal Years, as per the requirements under Accounting Standard 18 issued by the Institute of Chartered Accountants in India, see the section “Financial Statements” on page 147 of this Placement Document.

PRINCIPAL SHAREHOLDERS

The following table sets forth the shareholding pattern as on September 30, 2014:

Sr. No	Category of Shareholder	No. of shareholders	Total No. of Equity Shares	Total No. of Equity Shares held in Dematerialized form	Total shareholding as a % of total no. of Equity Shares		Equity shares pledged or otherwise encumbered	
					As a % of (A+B)	As a % of (A+B+C)	Number of Equity Shares	As a % of Total No. of Equity Shares
(A)	Shareholding of promoter and promoter group							
	(1) Indian							
	Individuals/Hindu Undivided Family	1	1,96,442	1,96,442	2.47	2.47	0	0.00
	Bodies Corporate	2	57,68,309	57,68,309	72.40	72.40	0	0.00
	Sub Total	3	59,64,751	59,64,751	74.87	74.87	0	0.00
	(2) Foreign							
	Total Shareholding of Promoter and Promoter Group (A)	3	59,64,751	59,64,751	74.87	74.87	0	0.00
(B)	Public Shareholding							
	(1) Institutions							
	Mutual Funds/UTI	2	48,560	48,410	0.61	0.61	0	0.00
	Financial Institutions/Banks	3	566	200	0.01	0.01	0	0.00
	Foreign Institutional Investors	1	40,000	40,000	0.50	0.50	0	0.00
	Sub Total	6	89,126	88,610	1.12	1.12	0	0.00
	(2) Non-Institutions							
	Bodies Corporate	210	7,16,929	7,16,849	9.00	9.00	0	0.00
	Individuals							
	Individual shareholders holding nominal share capital up to ₹ 1 lakh	5728	8,16,020	5,90,185	10.24	10.24	0	0.00
	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	11	358,045	358,045	4.49	4.49	0	0.00
	Any Others (Specify)	40	22,209	21,059	0.28	0.28	0	0.00
	Non Resident Indians	39	22,009	20,859	0.28	0.28	0	0.00
	Trust & Foundation	1	200	200	0.00	0.00	0	0.00
	Sub Total	5989	19,13,203	16,86,138	24.01	24.01	0	0.00
	Total Public Shareholding (B)	5995	20,02,329	17,74,748	25.13	25.13	0	0.00
	Total (A) + (B)	5998	79,67,080	77,39,499	100.00	100.00	0	0.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0.00	0.00	0	0.00
	(1) Promoter and Promoter Group	0	0	0	0.00	0.00	0	0.00
	(2) Public	0	0	0	0.00	0.00	0	0.00

Sr. No	Category of Shareholder	No. of shareholders	Total No. of Equity Shares	Total No. of Equity Shares held in Dematerialized form	Total shareholding as a % of total no. of Equity Shares		Equity shares pledged or otherwise encumbered	
					As a % of (A+B)	As a % of (A+B+C)	Number of Equity Shares	As a % of Total No. of Equity Shares
	Sub Total	0	0	0	0.00	0.00	0	0.00
	Total (A)+(B)+(C)	5998	79,67,080	77,39,499	0.00	100.00	0	0.00

The following table sets forth the shareholding of the promoter and promoter group as at September 30, 2014:

Sr. No.	Name of Shareholder	No of Equity Shares held	Total Shareholding as a % of Total No. of Equity Shares
1.	Hindusthan Udyog Limited	38,61,659	48.47
2.	Asutosh Enterprises Limited	19,06,650	23.93
3.	Mr. Prakash Agarwal	1,96,442	2.47
	Total	59,64,751	74.87

The following table sets forth the shareholding of persons belonging to the category “Public” and holding more than 1.00% of the total number of Equity Shares as at September 30, 2014:

Sr. No.	Name of Shareholders	No. of Equity Shares	Total Shareholding as a % of total No. of Equity Shares
1.	Jhilik Promoters & Fincon Private Limited	213,825	2.68
2.	Anupriya Consultants Private Limited	96,317	1.21

ISSUE PROCEDURE

The following is a summary intended to present a general outline of the procedure relating to the application, payment, Allocation and Allotment of the Equity Shares to be issued pursuant to this Issue. The procedure followed in this Issue may differ from the one mentioned below, and investors are presumed to have apprised themselves of the same from the Company or the Book Running Lead Manager. Investors are advised to inform themselves of any restrictions or limitations that may be applicable to them. See the sections “Selling Restrictions” and “Transfer Restrictions” on page 119 and 124, respectively of this Placement Document.

Qualified Institutions Placement

This Issue is being made to QIBs in reliance upon Chapter VIII of the SEBI Regulations and Section 42 of the Companies Act, 2013, read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 through the mechanism of a QIP. Under Chapter VIII of the SEBI Regulations and Section 42 of the Companies Act, 2013, a company may issue equity shares to QIBs provided that certain conditions are met by the Company. Certain of these conditions are set out below:

- The shareholders of the issuer have passed a special resolution approving such QIP. Such special resolution must specify that the allotment of securities is proposed to be made pursuant to the QIP and the Relevant Date;
- Equity shares of the same class of such issuer, which are proposed to be allotted through the QIP, are listed on a recognised stock exchange in India having nation-wide trading terminals for a period of at least one year prior to the date of issuance of notice to its shareholders for convening the meeting to pass the above-mentioned special resolution;
- The aggregate of the proposed issue and all previous qualified institutions placements made by the issuer in the same financial year does not exceed five times the net worth (as defined in the SEBI Regulations) of the issuer as per the audited balance sheet of the previous financial year;
- The issuer shall be in compliance with the minimum public shareholding requirements set out in the SCRR and the Listing Agreement;
- The issuer shall have completed allotments with respect to any offer or invitation made by the issuer or shall have withdrawn or abandoned any invitation or offer made by the issuer;
- The issuer shall offer to each Allottee at least such number of the securities in the issue which would aggregate to ₹ 20,000 calculated at the face value of the securities.

At least 10.00% of the equity shares issued to QIBs must be allotted to Mutual Funds, provided that, if this portion, or any part thereof to be allotted to Mutual Funds remains unsubscribed, it may be allotted to other QIBs. QIBs have been specifically defined under Regulation 2(1)(zd) of the SEBI Regulations.

Additionally, there is a minimum pricing requirement under the SEBI Regulations. The floor price of the equity shares issued under the QIP shall not be less than the average of the weekly high and low of the closing prices of the issuer's equity shares of the same class quoted on the stock exchange during the two weeks preceding the relevant date. However a discount of not more than five percent on the Floor Price is permitted in accordance with the provisions of the SEBI Regulations.

The “relevant date” in case of allotment of equity shares, refers to the date of the meeting in which the board of directors or the committee of directors duly authorised by the board of the issuer decides to open the proposed issue and “stock exchange” means any of the recognised stock exchanges in India on which the equity shares of the issuer of the same class are listed and on which the highest trading volume in such shares has been recorded during the two weeks immediately preceding the relevant date.

Securities must be allotted within 12 months from the date of the shareholders' resolution approving the QIP and also within 60 days from the date of receipt of subscription money from the relevant QIBs.

The Equity Shares issued pursuant to the QIP must be issued on the basis of the Preliminary Placement Document and this Placement Document that shall contain all material information including the information specified in Schedule XVIII of the SEBI Regulations and the requirements prescribed under Form PAS-4 in the Companies (Prospectus and Allotment of Securities) Rules, 2014. The Preliminary Placement Document and this Placement Document are private documents provided to only select investors through serially numbered copies and are required to be placed on the website of the BSE and of the Company with a disclaimer to the effect that it is in connection with an issue to QIBs and offer is being made to the public or any other category of investors. The minimum number of allottees for each QIP shall not be less than:

- Two, where the issue size is less than or equal to ₹ 2,500 million; and
- Five, where the issue size is greater than ₹ 2,500 million.

No single allottee shall be allotted more than 50.00% of the issue size or less than ₹ 20,000 of face value of Equity Shares. QIBs that belong to the same group or that are under common control shall be deemed to be a single allottee. For details of what constitutes “same group” or “common control”, see “- Application Process -Application Form” on page 111 of this Placement Document.

The aggregate of the proposed QIP and all previous QIPs made in the same financial year shall not exceed five times the net worth of the Issuer as per its audited balance sheet of the previous financial year. The Issuer shall furnish a copy of the preliminary placement document and the placement document to each stock exchange on which its equity shares are listed.

The Company has applied for and received in-principle approvals of the Stock Exchanges under Clause 24(a) of the Listing Agreement for listing of the Equity Shares on the Stock Exchanges. The Company has also filed a copy of the Preliminary Placement Document and this Placement Document with the Stock Exchanges.

We shall also make the requisite filings with the RoC and SEBI within the stipulated period as required under the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014.

This Issue has been authorised and approved by the Board of Directors on September 12, 2014 and by the shareholders of the Company through postal ballot resolution dated October 22, 2014.

Securities allotted to a QIB pursuant to a QIP shall not be sold for a period of one year from the date of allotment except on the floor of a recognised stock exchange in India. Allotments made to FVCIs, VCFs and AIFs in this Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements.

THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED, LISTED OR OTHERWISE QUALIFIED IN ANY OTHER JURISDICTION OUTSIDE INDIA AND MAY NOT BE OFFERED OR SOLD AND BIDS MAY NOT BE MADE BY PERSONS IN ANY SUCH JURISDICTION, EXCEPT IN COMPLIANCE WITH THE APPLICABLE LAWS OF SUCH JURISDICTIONS.

The Preliminary Placement Document and this Placement Document are private documents provided to investors through serially numbered copies and required to be placed on the website of the concerned stock exchange and of the Company with a disclaimer to the effect that it is in connection with an issue to QIBs and no offer is being made to the public or any other category of investors.

Issue Procedure

1. The Company and the Book Running Lead Manager shall circulate serially numbered copies of the Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form to the QIBs and the Application Form will be specifically addressed to such QIBs. In terms of Section 42(7) of the Companies Act, 2013, the Company shall maintain complete records of the QIBs to whom the Preliminary Placement Document and the serially numbered Application Form have been dispatched. The Company will make the requisite filings with RoC and SEBI within the stipulated time period as required under the Companies Act, 2013.
2. The list of QIBs to whom the Application Form is delivered shall be determined by the Company in

consultation with the BRLM.

3. **Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form is addressed to a particular QIB, no invitation to subscribe shall be deemed to have been made to such QIB.** Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.
4. Bidders shall submit Bids for, and the Company shall issue and Allot to each Allottee, at least such number of Equity Shares in this Issue which would aggregate to ₹ 20,000 calculated at the face value of the Equity Shares.
5. The Company shall intimate the Bid/Issue Opening Date to the Stock Exchanges.
6. QIBs may submit an Application Form, including any revisions thereof, during the Bidding Period to the Book Running Lead Manager.
7. QIBs will be required to indicate the following in the Application Form:
 - Name of the QIB to whom Equity Shares are to be Allotted;
 - Number of Equity Shares Bid for;
 - Price at which they are agreeable to subscribe for the Equity Shares, provided that QIBs may also indicate that they are agreeable to submit a Bid at “Cut-off Price”; which shall be any price as may be determined by the Company in consultation with the Book Running Lead Manager at or above the Floor Price;
 - Details of the depository account to which the Equity Shares should be credited;
 - A representation that it is outside the United States at the time it places its buy order for the Equity Shares, it is acquiring the Equity Shares in accordance with Regulation S and it has agreed to certain other representations set forth in the section “Transfer Restrictions” on page 124 of this Placement Document and in the Application Form; and
 - It has agreed to all of the other representations set forth in the Application Form.

Note: Each sub-account of an FII other than a sub-account which is a foreign corporate or a foreign individual will be considered as an individual QIB and separate Application Forms would be required from each such sub-account for submitting Bids.

8. Once a duly completed Application Form is submitted by a QIB, such Application Form constitutes an irrevocable offer and cannot be withdrawn after the Bid/Issue Closing Date. The Bid/Issue Closing Date shall be notified to the Stock Exchanges and the QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.

The Bids made by asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI.

9. Upon receipt of the Application Form, after the Bid/Issue Closing Date, the Company shall determine the final terms, including the Issue Price of the Equity Shares to be issued pursuant to this Issue in consultation with the Book Running Lead Manager. Upon determination of the final terms of the Equity Shares, the Book Running Lead Manager will send the serially numbered CAN along with the Placement Document to the QIBs who have been Allocated the Equity Shares. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the QIB to pay the entire Issue Price for all the Equity Shares Allocated to such QIB. The CAN shall contain details such as the number of Equity Shares Allocated to the QIB and payment instructions including the details of the amounts payable by the QIB for Allotment of the Equity Shares in its name and the Pay-In Date as applicable to the respective QIB. **Please note that the Allocation will be at the**

absolute discretion of the Company and will be based on the recommendation of the Book Running Lead Manager.

10. Pursuant to receiving a CAN, each QIB shall be required to make the payment of the entire application monies for the Equity Shares indicated in the CAN at the Issue Price, only through electronic transfer to our designated bank account by the Pay-In Date as specified in the CAN sent to the respective QIBs. No payment shall be made by QIBs in cash. Please note that any payment of application money for the Equity Shares shall be made from the bank accounts of the relevant QIBs applying for the Equity Shares and the Company shall keep a record of the bank account from where such payment for subscriptions have been received. Monies payable on Equity Shares to be held by joint holders shall be paid from the bank account of the person whose name appears first in the application. Pending Allotment, all monies received for subscription of the Equity Shares shall be kept by the Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act, 2013.
11. Upon receipt of the application monies from the QIBs, the Company shall Allot Equity Shares as per the details in the CAN sent to the QIBs. The Company shall intimate to the Stock Exchanges the details of the Allotment.
12. After passing the resolution for Allotment and prior to crediting the Equity Shares into the depository participant accounts of the successful Bidders, the Company shall apply to the Stock Exchanges for listing approvals. The Company will intimate to the Stock Exchanges the details of the Allotment and apply for approval for listing of the Equity Shares on the Stock Exchanges prior to crediting the Equity Shares into the beneficiary account maintained with the Depository Participant by the QIBs.
13. After receipt of the listing approvals of the Stock Exchanges, the Company shall credit the Equity Shares Allotted pursuant to this Issue into the Depository Participant accounts of the respective Allottees.
14. The Company will then apply for the final trading approvals from the Stock Exchanges.
15. The Equity Shares that would have been allotted and credited to the beneficiary account with the Depository Participant of the QIBs shall be eligible for trading on the Stock Exchanges only upon the receipt of final trading and listing approval from the Stock Exchanges.
16. Upon receipt of intimation of final trading and listing approval from the Stock Exchanges, the Company shall inform the Allottees of the receipt of such approval. The Company and the Book Running Lead Manager shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permission from the Stock Exchanges or any loss arising from such delay or non-receipt. Final listing and trading approval granted by the Stock Exchanges is also placed on its website. QIBs are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or the Company.

Qualified Institutional Buyers

Only QIBs as defined in Regulation 2(1)(zd) of the SEBI Regulations and not otherwise excluded pursuant to Regulation 86(1)(b) of the SEBI Regulations are eligible to invest. Currently, under Regulation 2(1)(zd) of the SEBI Regulations, a QIB means:

- Public financial institutions as defined in Section 4A of the Companies Act, 1956 (Section 2(72) of the Companies Act, 2013);
- Scheduled commercial banks;
- Mutual Fund;
- Eligible FPIs;
- Multilateral and bilateral development financial institutions;
- Venture capital funds registered with SEBI;

- Foreign venture capital investors registered with SEBI;
- Alternate investment funds registered with SEBI
- State industrial development corporations;
- Insurance companies registered with Insurance Regulatory and Development Authority;
- Provident funds with minimum corpus of ₹ 250.00 million;
- Pension funds with minimum corpus of ₹ 250.00 million;
- The National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India;
- Insurance funds set up and managed by army, navy or air force of the Union of India; and
- Insurance funds set up and managed by the Department of Posts, India.

FIIIs (other than a sub-account which is a foreign corporate or a foreign individual) and Eligible FPIs investing through the portfolio investment scheme shall participate in this Issue under Schedule 2 and Schedule 2A of FEMA 20, respectively. FIIIs and Eligible FPIs investing through the portfolio investment scheme are permitted to participate in this Issue subject to compliance with all applicable laws and such that the shareholding of the FPIs and FIIIs does not exceed specified limits as prescribed under applicable laws in this regard. Other eligible non-resident QIBs shall participate in this Issue under Schedule 1 of the FEMA 20 and shall make the payment of application money through the foreign currency non-resident (FCNR) account and not through the special non-resident rupee (SNRR) account.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to be 10.00% or above of our post-Issue Equity Share capital. Further, in terms of the FEMA 20, the total holding by each FPI shall be below 10.00% of our total paid-up Equity Share capital and the total holdings of all FPIs put together shall not exceed 24.00% of our paid-up Equity Share capital.

Eligible FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

An FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. Subject to trailing condition, an FII or sub-account of an FII may participate in this Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. If the registration of the FII or sub-account has expired or is about to expire, such FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in this Issue. An FII or sub-account shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

Allotments made to FVCIs, VCFs and AIFs in the issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements.

Under Regulation 86(1)(b) of the SEBI Regulations, no Allotment shall be made pursuant to this Issue, either directly or indirectly, to any QIB being, or any person related to, the promoter. QIBs which have all or any of the following rights shall be deemed to be persons related to the promoter:

- Rights under a shareholders' agreement or voting agreement entered into with the promoter or persons related to the promoter;
- Veto rights; or
- A right to appoint any nominee director on the Board

Provided, however, that a QIB which does not hold any shares in us and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the promoter.

We and the Book Running Lead Manager are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, QIBs are required to satisfy themselves that their Bids would not eventually result in triggering a tender offer under the Takeover Regulations and the QIB shall be solely responsible for compliance with the provisions of the Takeover Regulations, SEBI Insider Trading Regulations and other applicable laws, rules, regulations, guidelines and circulars.

A minimum of 10.00% of the Equity Shares offered in this Issue shall be Allotted to Mutual Funds. If no Mutual Fund is agreeable to take up the minimum portion as specified above, such minimum portion or part thereof may be Allotted to other QIBs.

Note: Affiliates or associates of the Book Running Lead Manager who are QIBs may participate in this Issue in compliance with applicable laws.

Bid/ Issue Programme

Bidding Period / Issue Period:	
BID/ISSUE OPENS ON	December 11, 2014
BID/ISSUE CLOSING ON	December 12, 2014

Application Process

Application Form

QIBs shall only use the serially numbered Application Forms (which are addressed to them) supplied by the Book Running Lead Manager in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of the Preliminary Placement Document. Revisions to the Bid shall only be made in the revision form.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of the Preliminary Placement Document, the QIB will be deemed to have made the following representations and warranties and the representations, warranties and agreements made under the sections “Notice to Investors”, “Representations by Investors”, “Selling Restrictions” and “Transfer Restrictions” on page 1, 3, 119 and 124, respectively of this Placement Document:

1. The QIB confirms that it is a QIB in terms of Regulation 2(1)(zd) of the SEBI Regulations and is not excluded under Regulation 86 of the SEBI Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in this Issue;
2. The QIB confirms that it is not a promoter and is not a person related to the promoter, either directly or indirectly and its Application Form does not directly or indirectly represent the promoter or promoter group or persons related to the promoter;
3. The QIB confirms that it has no rights under a shareholders’ agreement or voting agreement with the promoter or persons related to the promoter, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender which shall not be deemed to be a person related to the promoter;
4. The QIB has no right to withdraw its Bid after the Bid/Issue Closing Date;
5. The QIB confirms that if Equity Shares are Allotted through this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the Stock Exchanges;

6. The QIB confirms that the QIB is eligible to Bid and hold Equity Shares so Allotted. The QIB further confirms that the holding of the QIB, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the QIB;
7. The QIB confirms that its Bids would not eventually result in triggering a tender offer under the Takeover Regulations;
8. The QIB confirms that to the best of its knowledge and belief together with other QIBs in this Issue that belongs to the same group or are under same control, the Allotment to the QIB shall not exceed 50.00% of the Issue Size. For the purposes of this statement:
 - (a) The expression “belongs to the same group” shall derive meaning from the concept of “companies under the same group” as provided in sub-section (11) of Section 372 of the Companies Act, 1956;
 - (b) “Control” shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the Takeover Regulations.
9. The QIBs shall not undertake any trade in the Equity Shares credited to its beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares is issued by the Stock Exchanges; and
10. The QIB represents that it is outside the United States and is acquiring the Equity Shares in accordance with Regulation S and it has agreed to certain other representations set forth in the section “Transfer Restrictions” on page 124 of this Placement Document and in the Application Form.

QIBS MUST PROVIDE THEIR DEPOSITORY ACCOUNT DETAILS, PAN, THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER, E-MAIL ID, AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. QIBS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. FOR THIS PURPOSE, ELIGIBLE SUB ACCOUNTS OF AN FII WOULD BE CONSIDERED AS AN INDEPENDENT QIB.

IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGER, THE QIB SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO THE BOOK RUNNING LEAD MANAGER TO EVIDENCE THEIR STATUS AS A QIB.

IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGER, ESCROW AGENT OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER ISSUE CLOSURE, THE QIB SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE KNOW YOUR CUSTOMER (KYC) NORMS.

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details given above.

The submission of an Application Form by a QIB shall be deemed a valid, binding and irrevocable offer for the QIB to pay the entire Issue Price for the Equity Shares (as indicated by the CAN) and becomes a binding contract on the QIB upon issuance of the CAN by us in favour of the QIB.

Bids by Mutual Funds

The Bids made by the asset management companies or custodian of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. Each scheme/fund of a Mutual Fund registered with SEBI, will have to submit separate Application Form. Each Mutual Fund will have to submit separate Application Forms for each of its participating schemes. Such applications will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. However, for the purpose of calculating the number of Allottee/applicants, various schemes of the same mutual fund will be considered as a single Allottee/applicant. Demographic details like address, bank account among other will be obtained from the Depositories as per the demat account details given above. As per the current regulations, the following restrictions are applicable for investments by Mutual Funds: No Mutual Fund

scheme shall invest more than 10% of its net asset value in Equity Shares or equity related instruments of any company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up capital carrying voting rights. The above information is given for the benefit of the Bidders. We and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may happen after the date of this Placement Document. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under the applicable laws and regulations.

Submission of Application Form

All Application Forms must be duly completed with information including the name of the QIB and the number of Equity Shares applied for. The Application Form shall be submitted to the Book Running Lead Manager either through electronic form or through physical delivery at the following address:

Name of book running lead Manager	Address	Contact Person	Email	Phone (Telephone and fax)
Edelweiss Financial Services Limited	Edelweiss House, 14th Floor, Off C.S.T. Road, Kalina, Mumbai 400 098 Maharashtra, India	Siddharth Shah / Vikas Agarwal	wpil.qip@edelweissfin.com	Telephone: +91 22 4086 3535 Fascimile: +91 22 4086 3610

The Book Running Lead Manager shall not be required to provide any written acknowledgement of the same.

Permanent Account Number or PAN

Each QIB should mention its PAN allotted under the IT Act in the Application Form. Applications without this information will be considered incomplete and are liable to be rejected. QIBs should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

Pricing and Allocation

Build up of the Book

The QIBs shall submit their Bids (including the revision of bids) within the Bidding Period to the Book Running Lead Manager and cannot be withdrawn after the Bid/Issue Closing Date.

Price Discovery and Allocation

The Company, in consultation with the Book Running Lead Manager, shall determine the Issue Price, which shall be at or above the Floor Price.

After finalisation of the Issue Price, the Company shall update the Preliminary Placement Document with the Issue details and file the same with the Stock Exchanges as the Placement Document.

Method of Allocation

The Company shall determine the Allocation in consultation with the Book Running Lead Manager on a discretionary basis and in compliance with Chapter VIII of the SEBI Regulations.

Application Forms received from the QIBs at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such QIBs will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10.00% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price.

THE DECISION OF THE COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL QIBS. QIBS MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF THE COMPANY AND QIBS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AT OR ABOVE THE ISSUE PRICE. NEITHER THE COMPANY NOR THE BOOK RUNNING LEAD MANAGER ARE OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.

All Application Forms duly completed along with payment and a copy of the PAN card or PAN allotment letter shall be submitted to the Book Running Lead Manager as per the details provided in the respective CAN.

CAN

Based on the Application Forms received, we, in consultation with the Book Running Lead Manager, in their sole and absolute discretion, decide the QIBs to whom the serially numbered CAN shall be sent, pursuant to which the details of the Equity Shares Allocated to them and the details of the amounts payable for Allotment of such Equity Shares in their respective names shall be notified to such QIBs. Additionally, a CAN will include details of the relevant Escrow Account into which such payments would need to be made, address where the application money needs to be sent, Pay-In Date as well as the probable designated date, being the date of credit of the Equity Shares to the respective QIB's account.

The eligible QIBs would also be sent a serially numbered Placement Document either in electronic form or by physical delivery along with the serially numbered CAN.

The dispatch of the serially numbered Placement Document and the serially numbered CAN to the QIBs shall be deemed a valid, binding and irrevocable contract for the QIB to furnish all details that may be required by the Book Running Lead Manager and to pay the entire Issue Price for all the Equity Shares Allocated to such QIB.

QIBs are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to this Issue.

Bank Account for Payment of Application Money

We have opened the "WPIL Limited – QIP Escrow Account" with IDBI Bank Limited, as Escrow Bank in terms of the arrangement among us, the Book Running Lead Manager and Escrow Bank. The QIB to whom CAN is sent will be required to deposit the entire amount payable for the Equity Shares Allocated to it by the Pay-In Date as mentioned in the respective CAN.

If the payment is not made favouring the "WPIL Limited – QIP Escrow Account" within the time stipulated in the CAN, the Application Form and the CAN of the QIB are liable to be cancelled.

We undertake to utilise the amount deposited in "WPIL Limited – QIP Escrow Account" only for the purposes of (i) adjustment against Allotment of Equity Shares in this Issue; or (ii) repayment of application money if we have not been able to Allot Equity Shares in this Issue.

In case of cancellations or default by the QIBs, we and the Book Running Lead Manager have the right to reallocate the Equity Shares at the Issue Price among existing or new QIBs at their sole and absolute discretion, subject to statutory limits.

Payment Instructions

The payment of application money shall be made by the QIBs in the name of "WPIL Limited – QIP Escrow Account" as per the payment instructions provided in the CAN.

Payments are to be made only through electronic fund transfer.

Note: Payments through cheques are liable to be rejected.

Designated Date and Allotment of Equity Shares

The Equity Shares will not be Allotted unless the QIBs pay the Issue Price to the “WPIL Limited – QIP Escrow Account” as stated above.

In accordance with the SEBI Regulations, Equity Shares will be issued and Allotment shall be made only in dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

We, at our sole discretion, reserve the right to cancel this Issue at any time up to Allotment without assigning any reason whatsoever.

Following the Allotment and credit of Equity Shares into the QIBs’ Depository Participant accounts, we will apply for final trading and listing approvals from the Stock Exchanges. In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of this Issue, no interest or penalty would be payable by us.

In relation to QIBs who have been Allotted more than 5.00% of the Equity Shares in this Issue, the Company shall disclose the name and the number of the Equity Shares Allotted to such QIB to the Stock Exchanges and the Stock Exchanges will make the same available on their website.

The Escrow Bank shall release the monies lying to the credit of the Escrow Account to the Company after Allotment of Equity Shares to QIBs.

In the event that we are unable to issue and Allot the Equity Shares offered in this Issue or on cancellation of this Issue, within 60 days from the date of receipt of application money, we shall repay the application money within 15 days from expiry of 60 days, failing which we shall repay that money with interest at the rate of 12% per annum from expiry of the sixtieth day. The application money to be refunded by us shall be refunded to the same bank account from which application money was remitted by the QIBs

Other Instructions

Right to Reject Applications

We, in consultation with the Book Running Lead Manager, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of the Company and the Book Running Lead Manager in relation to the rejection of Bids shall be final and binding.

Equity Shares in Dematerialised form with NSDL or CDSL

The Allotment of the Equity Shares in this Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

A QIB applying for Equity Shares to be issued pursuant to this Issue must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Allotment to a successful QIB will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the QIB.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges have electronic connectivity with NSDL and CDSL.

The trading of the Equity Shares to be issued pursuant to this Issue would be in dematerialised form only for all QIBs in the demat segment of the Stock Exchanges.

We will not be responsible or liable for the delay in the credit of Equity Shares to be issued pursuant to this Issue due to errors in the Application Form or otherwise on part of the QIB.

Release of funds to the Company

The Escrow Bank shall not release the monies lying to the credit of the “WPIL Limited – QIP Escrow Account” till such time, that it receives an instruction in pursuance to the Escrow Agreement, along with the listing approval of the Stock Exchanges for the Equity Shares offered in the Issue.

PLACEMENT

Placement Agreement

The Book Running Lead Manager has entered into a placement agreement with the Company (the “**Placement Agreement**”), pursuant to which the Book Running Lead Manager has agreed to procure subscriptions for the Equity Shares on a reasonable efforts basis.

The Placement Agreement contains customary representations, warranties and indemnities from the Company and the Book Running Lead Manager, and it is subject to termination in accordance with the terms contained therein.

Applications shall be made to list the Equity Shares issued pursuant to this Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

This Placement Document has not been, and will not be, registered as a prospectus with the RoC and, no Equity Shares issued pursuant to this Issue will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than QIBs.

Relationship with the Book Running Lead Manager

In connection with the Issue, the Book Running Lead Manager, (or their affiliates) may, for their own accounts, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be issued pursuant to the Issue at the same time as the offer and sale of the Equity Shares or in secondary market transactions. As a result of such transactions, the Book Running Lead Manager may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. Affiliates of the Book Running Lead Manager may purchase Equity Shares and be Allocated Equity Shares for proprietary purposes and not with a view to distribution or in connection with the issuance of P-Notes.

From time to time, the Book Running Lead Manager, and their affiliates and associates of such entity have may be engaged in or may in the future engage in transactions with and perform services including but not limited to investment banking, advisory, banking, trading services for the Company, its Subsidiaries, group companies, affiliates and the Shareholders, as well as to their respective associates and affiliates, pursuant to which fees and commissions have been paid or will be paid to the Book Running Lead Manager and their affiliates and associates.

Lock-up

The Promoters and Promoter Group jointly and severally, agrees that, without the prior written consent of the Book Running Lead Manager, he or it will not, and will not announce any intention to enter into any transaction whether any such transaction which is to be settled by delivery of Equity Shares, or such other securities, in cash or otherwise, during the period commencing on the date hereof and ending 180 days after the date of Allotment of the Equity Shares pursuant to the QIP (the “**Lock-up Period**”), directly or indirectly, issue, offer, lend, sell, contract to sell, pledge, encumber, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, make any short sale, lend or otherwise transfer or dispose of directly or indirectly, any Equity Shares, including but not limited to any options or warrants to purchase any Equity Shares, or any securities convertible into or exercisable or exchangeable for, or that represent the right to receive, Equity Shares or enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of the Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares or deposit any Equity Shares, or any securities convertible into or exercisable or exchangeable for the Equity Shares or which carry the rights to subscribe for or purchase Equity Shares, in any depositary receipt facility or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of a sale or deposit of Equity Shares in any depositary receipt facility. However, the foregoing restrictions shall not be applicable if any of the actions mentioned above are required to be undertaken pursuant to any employee stock option scheme or inter-se transfers between promoter group or any change in applicable law, or a direction of a court of law or the Reserve Bank of India post the date of execution of the Placement Agreement.

In addition, each the promoter and promoter group, jointly and severally, agrees that, without the prior written consent of the BRLM, he or it will not, during the Lock-up Period, make any demand for or exercise any right with respect to, the registration or sale or deposition of any Equity Shares or any other securities of the Company substantially similar to the Equity Shares, including, but not limited to options, warrants or other securities that are convertible into, exercisable or exchangeable for, or that represent the right to receive Equity Shares or any such substantially similar securities, whether now owned or hereinafter acquired

The Company has undertaken that it will not during the period commencing on the date hereof and ending 180 days from the date of Allotment, without the prior written consent of the Book Running Lead Manager, directly or indirectly:

- (a) offer, sell, pledge, issue, contract to issue, grant any option, right or warrant for the issuance and allotment, or otherwise dispose of or transfer, or establish or increase a put equivalent position or liquidate or decrease a call equivalent position with respect to, any Equity Shares or securities convertible into or exchangeable or exercisable for Equity Shares (including any warrants or other rights to subscribe for any Equity Shares) or publicly announce an intention with respect to any of the foregoing,
- (b) enter into a transaction which would have the same effect, or enter into any swap, hedge or other arrangement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of any Equity Shares, whether any such aforementioned transaction is to be settled by allotment of any Equity Shares, in cash or otherwise or any securities convertible into or exercisable or exchangeable for Equity Shares, or
- (c) deposit Equity Shares with any other depository in connection with a depository receipt facility or
- (d) publicly disclose the intention to make any such offer, issuance and allotment or disposition, or to enter into any such transaction falling within (a) to (c) above (including swap, hedge or other arrangement) having an economic effect similar to that of an issue or offer or deposit of Equity Shares in any depository receipt facility or publicly announce any intention to enter into any transaction falling within (a) to (c) above.

SELLING RESTRICTIONS

The distribution of this Placement Document or any offering material and the offering, sale or delivery of the Equity Shares is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Placement Document or any offering material are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. This Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorized.

General

No action has been taken or will be taken by the Company or the Book Running Lead Manager that would permit a public offering of the Equity Shares to occur in any jurisdiction, or the possession, circulation or distribution of this Placement Document or any other material relating to the Company or the Equity Shares in any jurisdiction where action for such purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and none of this Placement Document, any offering materials and any advertisements in connection with the offering of the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. This Issue will be made in compliance with the applicable SEBI Regulations. Each purchaser of the Equity Shares in this Issue will be deemed to have made, as applicable, acknowledgments and agreements as described under the sections “Notice to Investors”, “Representations by Investors” and “Transfer Restrictions” on page 1, 3 and 124, respectively of this Placement Document.

India

This Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to eligible QIBs and is not an offer to the public. This Issue is a “private placement” within the meaning of Section 42 of the Companies Act, 2013 since the invitation or offer is to be made only to QIBs. This Placement Document is neither a public issue nor a prospectus under the Companies Act, 2013 or an advertisement and should not be circulated to any person other than to whom the offer is made. This Placement Document has not been and will not be registered as a prospectus with the Registrar of Companies in India.

Bahrain

The Issue is a private placement in Bahrain. Therefore, it is not subject to the regulations of the Central Bank of Bahrain that apply to public offerings of securities, and the extensive disclosure requirements and other protections that these regulations contain. This Placement Document is therefore intended only for accredited investors. The financial instruments offered by way of private placement may only be offered in minimum subscriptions of \$100,000 (or equivalent in other currencies). The Central Bank of Bahrain assumes no responsibility for the accuracy and completeness of the statements and information contained in this Placement Document and expressly disclaims any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the contents of this Placement Document. To the best of the Company’s board of directors’ and management’s knowledge and belief, who have taken all reasonable care to ensure that such is the case, the information contained in this Placement Document is in accordance with the facts and does not omit anything likely to affect the reliability of such information.

European Economic Area

In relation to each Member State of the European Economic Area that has implemented the Prospectus Directive (each, a “**Relevant Member State**”), with effect from and including the date on which the Prospectus Directive is or was implemented in that Relevant Member State (the “**Relevant Implementation Date**”), the Equity Shares may not be offered or sold to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive (defined below) and the 2010 Amending Directive (defined below), except that the Equity Shares, with effect from and including the Relevant Implementation Date, may be offered to the public in that Relevant Member State at any time:

(a) to persons or entities that are “qualified investors” as defined in the Prospectus Directive or, if that Relevant Member State has implemented the 2010 Amending Directive, as defined in the 2010 Amending Directive;

(b) to (i) fewer than 100 natural or legal persons (other than “qualified investors” as defined in the Prospectus Directive); or (ii) if that Relevant Member State has implemented the 2010 Amending Directive, fewer than 150 natural or legal persons (other than “qualified investors” as defined in the 2010 Amending Directive), in each case subject to obtaining the prior consent of the Book Running Lead Manager; and

(c) in any circumstances falling within Article 3(2) of the Prospectus Directive as amended (to the extent implemented in that Relevant Member State) by Article 1(3) of the 2010 Amending Directive, provided that no such offering of Equity Shares shall result in a requirement for the publication by the Company or the Book Running Lead Manager of a prospectus pursuant to Article 3 of the Prospectus Directive as amended (to the extent implemented in that Relevant Member State) by Article 1(3) of the 2010 Amending Directive.

For the purposes of this provision, the expression an “offer of Equity Shares to the public” in relation to any Equity Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression “Prospectus Directive” means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State and the expression “2010 Amending Directive” means Directive 2010/73/EU and includes any relevant implementing measure in each Member State.

Neither the Company nor the Book Running Lead Manager authorised, nor do they authorise, the making of any offer of Equity Shares through any financial intermediary on their behalf, other than offers made by the Company or the Book Running Lead Manager.

Hong Kong

The Placement Document has not been reviewed or approved by any regulatory authority in Hong Kong. In particular, this Placement Document has not been, and will not be, registered as a “prospectus” in Hong Kong under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap 32) (“CO”) nor has it been authorized by the Securities and Futures Commission (“SFC”) in Hong Kong pursuant to the Securities and Futures Ordinance (Cap 571) (“SFO”). Recipients are advised to exercise caution in relation to the Offer. If recipients are in any doubt about any of the contents of this Placement Document, they should obtain independent professional advice.

The Placement Document does not constitute an offer or invitation to the public in Hong Kong to acquire any Equity Shares nor an advertisement of the Equity Shares in Hong Kong. The Placement Document must not be issued, circulated or distributed in Hong Kong other than:

- to “professional investors” within the meaning of the SFO and any rules made under that ordinance (“**Professional Investors**”); or
- in other circumstances which do not result in this Placement Document being a prospectus as defined in the CO nor constitute an offer to the public which requires authorization by the SFC under the SFO.

Unless permitted by the securities laws of Hong Kong, no person may issue or have in its possession for issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Equity Shares, which is directed at, or the content of which is likely to be accessed or read by, the public of Hong Kong other than with respect to the Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to Professional Investors.

Any offer of the Equity Shares will be personal to the person to whom relevant offer documents are delivered, and a subscription for the Equity Shares will only be accepted from such person. No person who has received a copy of this Placement Document may issue, circulate or distribute this Placement Document in Hong Kong or make or give a copy of this Placement Document to any other person. No person allotted Equity Shares may sell, or offer to sell, such Shares to the public in Hong Kong within six months following the date of issue of such Equity Shares.

Kuwait

The Issue has not been approved by the Kuwait Central Bank or the Kuwait Ministry of Commerce and Industry, nor has the Company received authorisation or licensing from the Kuwait Central Bank or the Kuwait Ministry of Commerce and Industry to market or sell the Equity Interests within Kuwait. Therefore, no services relating to the offering, including the receipt of applications and/or the allotment of Equity Shares may be rendered within Kuwait by the Company or persons representing the Company.

Oman

This Placement Document and the Equity Shares offered under it are issued and governed by the laws of India.

No offer or marketing of the Equity Shares has been or will be made by the Company from within the Sultanate of Oman and no subscription for Equity Shares may or will be effected or undertaken within the Sultanate of Oman. The Company does not have a presence or representation in the Sultanate of Oman and any purchase of the Equity Shares will be deemed to be made in and under the laws of India.

By receiving this Placement Document, the person or entity to whom it has been issued understands, acknowledges and agrees that this Placement Document has not been registered or approved by the Central Bank of Oman, the Oman Ministry of Commerce and Industry, the Oman Capital Market Authority or any other authority in the Sultanate of Oman, and neither the Company nor the Book Running Lead Manager is authorized or licensed by the Central Bank of Oman, the Oman Ministry of Commerce and Industry, the Oman Capital Market Authority or any other authority in the Sultanate of Oman, to market or sell the Equity Shares within the Sultanate of Oman.

The Equity Shares offered under this Placement Document have not and will not be listed on any stock exchange in the Sultanate of Oman.

Qatar

This Placement Document does not, and is not intended to, constitute an invitation or an offer of securities in the State of Qatar (including the Qatar Financial Centre) and accordingly should not be construed as such. The Equity Shares have not been, and shall not be, offered, sold or delivered at any time, directly or indirectly, in the State of Qatar. Any offering of the Equity Shares shall not constitute a public offer of securities in the State of Qatar.

By receiving this Placement Document, the person or entity to whom it has been provided to understands, acknowledges and agrees that: (a) neither this Placement Document nor the Equity Shares have been registered, considered, authorised or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority or any other authority or agency in the State of Qatar; (b) neither the Company nor the Book Running Lead Manager is authorised or licensed by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority, or any other authority or agency in the State of Qatar, to market or sell the Equity Shares within the State of Qatar; (c) this Placement Document may not be provided to any person other than the original recipient and is not for general circulation in the State of Qatar; and (d) no agreement relating to the sale of the Equity Shares shall be consummated within the State of Qatar.

No marketing of the Equity Shares has been or will be made from within the State of Qatar and no subscription to the Equity Shares may or will be consummated within the State of Qatar. Any applications to invest in the Equity Shares shall be received from outside of Qatar. This Placement Document shall not form the basis of, or be relied on in connection with, any contract in Qatar. Neither the Company nor the Book Running Lead Manager is, by distributing this Placement Document, advising individuals resident in the State of Qatar as to the appropriateness of investing in or purchasing or selling securities or other financial products. Nothing contained in this Placement Document is intended to constitute investment, legal, tax, accounting or other professional advice in, or in respect of, the State of Qatar.

Saudi Arabia

This Placement Document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations issued by the Capital Market Authority in the Kingdom of Saudi Arabia.

The Capital Market Authority does not make any representation as to the accuracy or completeness of this Placement Document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Placement Document. Prospective purchasers of the Equity Shares offered hereby should conduct their own due diligence on the accuracy of the information relating to the Equity Shares. If you do not understand the contents of this Placement Document you should consult an authorised financial adviser.

Singapore

The Placement Document has not been and will not be registered as a prospectus with the Monetary Authority of Singapore (“**MAS**”) under the Securities and Futures Act (Chapter 289) of Singapore (“**SFA**”). Accordingly, the Equity Shares may not be offered or sold, or made the subject of an invitation for subscription or purchase nor may this Placement Document or any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Equity Shares be circulated or distributed, whether directly or indirectly, in Singapore other than (i) to an “institutional investor” within the meaning of Section 274 of the SFA and in accordance with the conditions of an exemption invoked under Section 274, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) other pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Equity Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is: (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person defined in Section 275(2) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights or interest in that trust are acquired at a consideration of not less than S\$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for a corporation, in accordance with the conditions specified in Section 275 of the SFA; (2) where no consideration is or will be given for the transfer; or (3) where the transfer is by operation of law.

United Arab Emirates (excluding the Dubai International Financial Centre)

The Equity Shares have not been, and are not being, publicly offered, sold, promoted or advertised in the United Arab Emirates (“**U.A.E.**”) other than in compliance with the laws of the U.A.E. Prospective investors in the Dubai International Financial Centre should have regard to the specific notice to prospective investors in the Dubai International Financial Centre set out below. The information contained in this Placement Document does not constitute a public offer of securities in the U.A.E. in accordance with the Commercial Companies Law (Federal Law No. 8 of 1984 of the U.A.E., as amended) or otherwise and is not intended to be a public offer. The Company and the Equity Shares have not been approved or licensed by or registered with the Central Bank of the United Arab Emirates, the Emirates Securities and Commodities Authority or any other relevant licensing authorities or governmental agencies in the U.A.E. This Placement Document has not been approved by or filed with the Central Bank of the United Arab Emirates, the Emirates Securities and Commodities Authority or the Dubai Financial Services Authority. This Placement Document is being issued to a limited number of selected institutional and sophisticated investors, is not for general circulation in the U.A.E. and may not be provided to any person other than the original recipient or reproduced or used for any other purpose. If you do not understand the contents of this Placement Document, you should consult an authorised financial adviser. This Placement Document is provided for the benefit of the recipient only, and should not be delivered to, or relied on by, any other person.

Dubai International Financial Centre

This Placement Document relates to an exempt offer (an “**Exempt Offer**”) in accordance with the Offered Securities Rules of the Dubai Financial Services Authority (the “**DFSA**”). This Placement Document is intended for distribution only to persons of a type specified in those rules. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this Placement Document nor taken steps to verify the information set out in it, and has no responsibility for it. The Equity Shares to which this Placement Document relates may be illiquid and/or subject to

restrictions on their resale. Prospective purchasers of the Equity Shares offered in the Issue should conduct their own due diligence on the Equity Shares. If you do not understand the contents of this Placement Document, you should consult an authorised financial adviser. For the avoidance of doubt, the Equity Shares are not interests in a “fund” or a “collective investment scheme” within the meaning of either the Collective Investment Law (DIFC Law No. 2 of 2010) or the Collective Investment Rules Module of the Dubai Financial Services Authority Rulebook.

United Kingdom (in addition to the European Economic Area selling restrictions above)

The Equity Shares offered in the Issue cannot be promoted in the United Kingdom to the general public. The contents of this Placement Document have not been approved by an authorised person within the meaning of Financial Services and Markets Act 2000, as amended (the “FSMA”). The Book Running Lead Manager (a) may only communicate or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA), to persons who (i) are investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “Financial Promotion Order”), or (ii) fall within any of the categories of persons described in article 49(2)(a) to (d) of the Financial Promotion Order or otherwise in circumstances in which section 21(1) of the FSMA does not apply to the Company; and (b) is required to comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Equity Shares in, from or otherwise involving the United Kingdom. Any invitation or inducement to engage in investment activity (within the meaning of Section 21 of FSMA) in connection with, or relating to, the sale or purchase of any Equity Shares, may only be communicated or caused to be communicated in circumstances in which Section 21(1) of the FSMA does not apply. It is the responsibility of all persons under whose control or into whose possession this document comes to inform themselves about and to ensure observance of all applicable provisions of FSMA in respect of anything done in relation to an investment in Equity Shares in, from or otherwise involving, the United Kingdom.

United States of America

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable state securities laws. The Equity Shares are not being offered or sold in the United States in the Issue. The Equity Shares are being offered and sold in the Issue only outside the United States in accordance with Regulation S. To help ensure that the offer and sale of the Equity Shares in the Issue was made in compliance with Regulation S, each purchaser of Equity Shares in the Issue will be deemed to have made the representations, warranties, acknowledgements and undertakings set forth in section “Transfer Restrictions” on page 124 of this Placement Document.

TRANSFER RESTRICTIONS

Allottees are not permitted to sell the Equity Shares for a period of one year from the date of Allotment except through the Stock Exchanges. In addition to the above, allotments made to QIBs, including FVCIs, VCFs and AIFs in this Issue, may be subject to lock-in requirements, if any, under the rules and regulations that are applicable to them. Accordingly, purchasers are advised to consult their own legal counsel prior to making any offer, re-sale, pledge or transfer of the Equity Shares, except if the resale of the Equity Shares is by way of a regular sale on the Stock Exchanges.

United States of America

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable state securities laws.

Each purchaser of the Equity Shares, by accepting delivery of this Placement Document, will be deemed to:

- Represent and warrant to the Company, the Book Running Lead Manager and its affiliates that the offer and sale of the Equity Shares to it is in compliance with all applicable laws and regulations.
- Represent and warrant to the Company, the Book Running Lead Manager and its affiliates that it was outside the United States (within the meaning of Regulation S) at the time the offer of the Equity Shares was made to it and it was outside the United States (within the meaning of Regulation S) when its buy order for the Equity Shares was originated.
- Represent and warrant to the Company, the Book Running Lead Manager and its affiliates that it did not purchase the Equity Shares as a result of any directed selling efforts (as defined in Regulation S).
- Acknowledge that the Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and warrant to the Company, the Book Running Lead Manager and its respective affiliates that it will not offer, sell, pledge or otherwise transfer the Equity Shares except in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration under the U.S. Securities Act and in accordance with all applicable securities laws of the States of the United States and any other jurisdiction, including India.
- Represent and warrant to the Company, the Book Running Lead Manager and its affiliates that if it acquired any of the Equity Shares as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgments, representations and agreements on behalf of each such account.
- Acknowledge that the Company, the Book Running Lead Manager and its affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and warranties and warrant to the Company and the Book Running Lead Manager that if any such acknowledgements, representations or warranties deemed to have been made by virtue of its purchase of the Equity Shares are no longer accurate, it will promptly notify the Company and the Book Running Lead Manager.

Any resale or other transfer, or attempted resale or other transfer, of the Equity Shares made other than in compliance with the above-stated restrictions will not be recognized by the Company.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the website of SEBI and the Stock Exchanges and has not been prepared or independently verified by the Company or the Book Running Lead Manager or its affiliates or advisors.

The Indian Securities Market

India has a long history of organised securities trading. In 1875, the first stock exchange was established in Mumbai. BSE and NSE together hold a dominant position among the stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

Stock Exchange Regulation

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the SCRA, the SCRR, the SEBI Act, the Depositories Act, the Companies Act and various rules and regulations framed thereunder.

On June 20, 2012, SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the SCR (SECC) Rules, which regulate inter alia the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum capitalisation requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Rules along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to promote, develop and regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, to protect the interests of investors, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices and insider trading and to regulate substantial acquisitions of shares and takeovers of companies. SEBI has also issued regulations concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, delisting of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign institutional investors, credit rating agencies and other capital market participants.

Listing of Securities

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, the SCRA, the SCRR, the SEBI Act and various guidelines and regulations issued by the SEBI and the listing agreements of the respective stock exchanges. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of company's obligations under such listing agreement or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend such equity listing agreements and bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognised stock exchange.

Delisting of Securities

SEBI has notified the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 in relation to the voluntary and compulsory delisting of equity shares from the stock exchanges. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

Minimum Level of Public Shareholding

Pursuant to an amendment of the SCRR in June 2010, all listed companies (except public sector undertakings) are required to maintain a minimum public shareholding of 25 % and were given a time till 3 June 2013 to comply with such requirement. In this regard, SEBI has amended the listing agreement and has provided several mechanisms to comply with this requirement. Further, where the public shareholding in a listed company falls below 25% at any time,

such company is required to bring the public shareholding to 25% within a maximum period of twelve months from the date of such fall in the manner specified by SEBI.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, the SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of BSE or the CNX NIFTY of NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands of 20% movements either up or down. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

BSE

Established in 1875, BSE is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA.

CSE

Established in 1908, CSE is one of the oldest stock exchanges in India. In 1997, CSE replaced the old manual trading system with completely computerised on-line trading and reporting system known as C-STAR (CSE Screen Based Trading and Reporting).

Internet-based Securities Trading and Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stockbrokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by SEBI.

Trading Hours

Trading on BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m. that has been introduced recently). BSE is closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

Trading Procedure

In order to facilitate smooth transactions, BSE replaced its open outcry system with BSE On-line trading facility in 1995. This totally automated screen based trading in securities was put into practice nation-wide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work.

To facilitate smooth transaction, CSE had enhanced the capability of its hardware to handle more than 10 lakh orders per day by upgrading the hardware in 2000 by upgrading its previous Tandem K series machine with presently installed S series servers. CSE has entered into an agreement to share BSE On-line trading facility platform to facilitate its members to trade in CSTAR as well as in BSE. It has enabled members of CSE and investors to use world's first centralized exchange based Internet trading system, BSEWEBx.com. The initiative enables investors anywhere in the world to trade on the BSE platform. The trading and settlement activities of the member-brokers are closely monitored through On-line Real Time Surveillance System known as Advance Warning and Controlling System. The system enables the Exchange to detect market abuses at a nascent stage, improve the risk management system and strengthen

the self-regulatory mechanisms.

Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies are governed by the Takeover Regulations which provide specific regulations in relation to substantial acquisition of shares and takeover. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the Takeover Regulations will apply to any acquisition of the company's shares/voting rights/control. The Takeover Regulations prescribe certain thresholds or trigger points in the shareholding a person or entity has in the listed Indian company, which give rise to certain obligations on part of the acquirer. Acquisitions up to a certain threshold prescribed under the Takeover Regulations mandate specific disclosure requirements, while acquisitions crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company. The Takeover Regulations also provide for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition.

Insider Trading Regulations

The SEBI Insider Trading Regulations have been notified to prohibit and penalise insider trading in India. An insider is, among other things, prohibited from dealing in the securities of a listed company when in possession of unpublished price sensitive information.

The SEBI Insider Trading Regulations also provide disclosure obligations for shareholders holding more than a pre-defined percentage, and directors and officers, with respect to their shareholding in the company, and the changes therein. The definition of "insider" includes any person who has received or has had access to unpublished price sensitive information in relation to securities of a company or any person reasonably expected to have access to unpublished price sensitive information in relation to securities of a company and who is or was connected with the company or is deemed to have been connected with the company.

Depositories

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfer in book-entry form. Further, SEBI framed regulations in relation to the registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term "securities", as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of the SEBI.

DESCRIPTION OF THE EQUITY SHARES

The following is information relating to the Equity Shares including a brief summary of some of the provisions of the Memorandum and Articles of Association and the Companies Act. Prospective investors are urged to read the Memorandum and Articles of Association carefully, and consult with their advisers, as the Memorandum and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.

General

Our authorised share capital is ₹ 100.00 million consisting of 98,60,000 Equity Shares of ₹ 10 each and 14,000, 11% redeemable cumulative preference shares of ₹ 100 each.

As of the date of this Placement Document, the outstanding paid-up equity share capital of the Company is ₹ 79.67 million.

Articles of Association

The Company is governed by our Articles of Association.

Dividends

Under Indian law, a company pays dividends upon a recommendation by its board of directors and approval by a majority of the shareholders at the AGM held each fiscal year. Under the Companies Act, unless the board of directors of a company recommends the payment of a dividend, the shareholders at a general meeting have no power to declare any dividend. Subject to certain conditions laid down by Section 123 of the Companies Act, 2013, and rules made thereunder, no dividend can be declared or paid by a company for any fiscal year except (a) out of the profits of the company for that year, calculated in accordance with the provisions of the Companies Act or (b) out of the profits of the company for any previous fiscal year(s) arrived at in accordance with the Companies Act 2013 and remaining undistributed or (c) out of both; or (d) out of money provided by the Central Government or a state Government for payment of dividend by the Company in pursuance of a guarantee given by that Government.

According to the Articles of Association, the Board may before recommending dividend set apart out of the profits of the Company such sums as it thinks prudent as a reserve or reserves which shall at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied including provision for meeting contingencies or for equalizing dividends and pending such application, at the discretion of the Company either be employed in the business of the Company or be invested in such investments including securities issued by companies or banks (other than the shares of the Company) as the Board may from time to time, think fit.

The Equity Shares issued pursuant to the Preliminary Placement Document and this Placement Document shall rank *pari passu* with the existing Equity Shares in all respects including entitlements to any dividends that may be declared by the Company.

Capitalisation of Reserves

In addition to permitting dividends to be paid out of current or retained earnings as described above, the Companies Act permits the board of directors, if so approved by the shareholders in a general meeting, to distribute an amount transferred in the free reserves, the securities premium account or the capital redemption reserve account to its shareholders, in the form of fully paid up bonus equity shares, which are similar to stock dividend. These bonus equity shares must be distributed to shareholders in proportion to the number of equity shares owned by them as recommended by the board of directors. No issue of bonus shares may be made by capitalising reserves created by revaluation of assets. Further, any issue of bonus shares would be subject to SEBI Regulations.

As per the Articles of Association, the Board may at the meeting of the Board resolve that any amount standing to the credit of the Share Premium Account or the Capital Redemption Reserve Account or any money forming part of the undivided profits (including profits or surplus monies arising from the realization of any capital assets of the Company) standing to the credit of the General Reserve, Reserve or any Reserve Fund or any other fund of the Company or in the hands of the Company and available for dividend may be capitalized.

Pre-Emptive Rights and Alteration of Capital

Subject to the provisions of the Companies Act, the Company may increase its share capital by issuing new shares on such terms and with such rights as it may determine. According to Section 62 of the Companies Act, 2013 such new shares shall be offered to existing shareholders in proportion to the amount paid up on those shares at that date. The offer shall be made by notice specifying the number of shares offered and the date (being not less than 15 days and not exceeding 30 days from the date of the offer) within which the offer, if not accepted, will be deemed to have been declined. After such date the Board may dispose of the shares offered in respect of which no acceptance has been received which shall not be disadvantageous to the shareholders of the Company. The offer is deemed to include a right exercisable by the person concerned to renounce the shares offered to him in favour of any other person subject to the provisions of FEMA 20, if applicable.

Under the provisions of Section 62(1)(c) of the Companies Act, 2013, new shares may be offered to any persons whether or not those persons include existing shareholders, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to condition prescribed under the Companies (Share Capital and Debentures) Rules, 2014, if a special resolution to that effect is passed by the Company's shareholders in a general meeting.

The Articles of Association authorises the Company to issue and allot shares at par or at a premium subject to and in accordance with provisions of the Companies Act.

General Meetings of shareholders

There are two types of general meetings of the shareholders, AGM and EGM.

The Company must hold its AGM in each fiscal year provided that not more than 15 months shall elapse between each AGM, unless extended by the RoC at its request for any special reason for a period not exceeding three months. The Board of Directors may convene an EGM when necessary or at the request of a shareholder or shareholders holding in the aggregate not less than one tenth of the Company's issued paid up capital (carrying a right to vote in respect of the relevant matter on the date of receipt of the requisition).

Notices, either in writing or through electronic mode, convening a meeting setting out the date, day, hour, place and agenda of the meeting must be given to members at least 21 clear days prior to the date of the proposed meeting. A general meeting may be called after giving shorter notice if consent is received, in writing or electronic mode, from not less than 95.00% of the shareholders entitled to vote. In accordance with the Articles of Association of the Company, 5(five) members must be personally present for quorum of any general meeting. The quorum requirements applicable to shareholder meetings under the Companies Act have to be physically complied with.

A company intending to pass a resolution relating to matters such as, but not limited to, amendment in the objects clause of the Memorandum, the issuing of shares with different voting or dividend rights, a variation of the rights attached to a class of shares or debentures or other securities, buy-back of shares, giving loans or extending guarantees in excess of limits prescribed, is required to obtain the resolution passed by means of a postal ballot instead of transacting the business in the Company's general meeting. A notice to all the shareholders shall be sent along with a draft resolution explaining the reasons therefore and requesting them to send their assent or dissent in writing on a postal ballot within a period of 30 days from the date of posting the letter. Postal ballot includes voting by electronic mode.

Voting Rights

At a general meeting, upon a show of hands, every member holding shares and entitled to vote and present in person has one vote. Upon a poll, the voting rights of each shareholder entitled to vote and present in person or by proxy is in the same proportion as the capital paid up on each share held by such holder bears to the Company's total paid up capital. Voting is by a show of hands, unless a poll is ordered by the Chairman of the meeting or voting is carried out electronically. The Chairman of the meeting has a casting vote.

Ordinary resolutions may be passed by simple majority of those present and voting and those voting electronically. Special resolutions require that the votes cast in favour of the resolution must be at least three times the votes cast against the resolution.

A shareholder may exercise his voting rights by proxy to be given in the form required by the Articles of Association. The instrument appointing a proxy is required to be lodged with the Company at least 48 hours before the time of the meeting. A proxy may not vote except on a poll and does not have the right to speak at meetings.

Transfer of shares

Shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by the SEBI. These provisions provide the regime for the functioning of the depositories and the participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. Transfers of beneficial ownership of shares held through a depository are exempt from stamp duty. We have entered into an agreement for such depository services with the National Securities Depository Limited and the Central Depository Services India Limited. SEBI requires that our shares for trading and settlement purposes be in book-entry form for all investors, except for transactions that are not made on a stock exchange and transactions that are not required to be reported to the stock exchange. The registrar and transfer agent shall keep a book in which every transfer or transmission of shares will be entered.

Pursuant to the Listing Agreement, in the event we have not effected the transfer of shares within fifteen days or where we have failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of fifteen days, it is required to compensate the aggrieved party for the opportunity loss caused during the period of the delay. The Equity Shares shall be freely transferable, subject to applicable laws. If the Company refuses to register the transfer of any share or transmission of any right therein, notice of such refusal must be sent to the transferee within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company.

STATEMENT OF TAX BENEFITS

Statement of possible special tax benefits available to the Company

Date: December 10, 2014

To,

Board of Directors

WPIL Limited

Trinity Plaza, 3rd Floor

84/1A, Topsia Road (South)

Kolkata-700 046

Dear Sirs,

Sub: Qualified Institutions Placement of equity shares of face value Rs. 10 each, at such premium as may be determined in accordance with law, aggregating to an amount not exceeding Rs. 1200 million (Issue) by WPIL Limited (Company)

We hereby confirm that the enclosed annexure, prepared by **WPIL LIMITED** (Company) states the possible special tax benefits available to the Company under the Income – tax Act, 1961 (**Act**) presently in force in India. These benefits are dependent on the Company fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfil.-

The benefits discussed in the enclosed Annexure are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice.

Our confirmation is based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

We do not express and opinion or provide any assurance as to whether:

- (i) the Company will continue to obtain these benefits in future; or
- (ii) the conditions prescribed for availing the benefits, where applicable have been/would be met.
- (iii) the tax benefits available to shareholders have been evaluated based on the present rules and regulations existing.

For V. SINGHI & ASSOCIATES

Chartered Accountants

Firm Registration Number: 311017E

[SUNIL SINGHI]

Partner

Membership No.: 060854

Place: Kolkata

NOTE ON POSSIBLE TAX BENEFITS AVAILABLE TO WPIL LIMITED AND TO ITS SHAREHOLDERS

UNDER THE INCOME TAX ACT, 1961 (the IT Act)

WPIL Limited ("the Company") is an Indian Company, subject to tax in India. WPIL Limited is taxed on its profits. Profits are computed after allowing all reasonable business expenditure, laid out wholly and exclusively for the purposes of the business, including depreciation.

Considering the activities and the business of WPIL Limited, the following benefits may be available to them.

I. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY

In accordance with and subject to the provisions of Section 35 (2AB) of the IT Act, the company is eligible to claim as a deduction, from the taxable income, a sum equal to 200% of the expenditure incurred towards in-house research and development.

However, the aforesaid deduction is not available while computing tax liability of the Company under Minimum Alternative Tax ('MAT'). Such MAT paid/payable on the book profits of the Company computed in terms of the provisions of IT Act, read with the Companies Act, 1956 would be eligible for credit against tax liability arising under normal provisions of IT Act.

Further, such credit would not be allowed to be carried forward and set off beyond tenth assessment year immediately succeeding the assessment year in which such credit becomes allowable.

II. SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS

There are no special tax benefits available to the shareholders.

III. GENERAL TAX BENEFITS AVAILABLE TO THE COMPANY

1. Subject to compliance of certain conditions laid down in Section 32 of the IT Act, the company will be entitled to a deduction for depreciation in respect of tangible assets and intangible assets being in the nature of know-how, patents, copyrights, trademarks, licenses, franchises or any other business or commercial rights of similar nature acquired on or after 1st day of April, 1998 at the rates prescribed under the Income Tax Rules, 1962. Unabsorbed depreciation, if any, shall be carried forward for set off in the subsequent years indefinitely.
2. The company will be entitled to amortize preliminary expenses being the expenditure incurred on public issue of shares in connection with extension of its undertaking or setting up of new undertaking, under section 35D(2)(c)(iv) of the IT Act, subject to the nature of expense and limit specified in Section 35D(3) of the IT Act.
3. Under section 71 of the IT Act, business loss suffered by the company during the year is allowed to be set-off against income from any other head.
4. Under section 72 of the IT Act, the company is entitled to carry forward business losses that cannot be set off against permitted sources of income in the relevant assessment year, for a period of 8 consecutive assessment years immediately succeeding the assessment year when the losses were incurred, and set off such losses against income chargeable under the head "Profits and gains from business or profession" in such assessment year. However, only such losses which have been determined in pursuance of a return filed in accordance with Sec.139 of the IT Act shall be carried forward and set off under section 72 of the IT Act.
5. Under section 79 of the IT Act, the carry forward and set off of business losses of a listed company would not be impacted on a change in shareholding pattern of the company.
6. Under section 115JB of the IT Act, in case the income tax payable under the normal provisions of the IT Act is less than 18.5% of the book profits of the company, then such book profit would be deemed to be the total income of the Company for that year and Minimum Alternate Tax (MAT) payable on such total income would be at the rate of 18.5% plus applicable surcharge and education cess.

7. Under section 115JAA(1A) of the IT Act, where any tax is paid under the MAT provisions for any assessment year commencing on the 1st day of April 2006, credit in respect of tax so paid shall be allowed to the company in accordance with the provisions of the IT Act. Tax credit eligible to be carried forward will be the difference between the MAT paid and the tax computed as per the normal provisions of the IT Act for that assessment year. Such MAT credit is allowed to be carried forward for set off purposes for up to ten years succeeding the year in which the MAT credit becomes allowable.
8. Under section 115O of the IT Act, for the purpose of payment of dividend distribution tax (DDT) on the dividends, the dividends so declared, distributed or paid by the domestic company shall be reduced by the dividends received from its domestic subsidiary provided such subsidiary has paid DDT on the same. For the said purpose, a company shall be a subsidiary of another company, if such other company, holds more than half in nominal value of the equity share capital of the former mentioned company.

Dividend Income

1. As per the provisions of Section 10(34) of the IT Act, any income by way of dividends referred to in Section 115 – O (i.e. dividends declared, distributed or paid on or after 1 April, 2003) received from domestic company is exempt from income-tax.
2. However, in view of the provisions of Section 14A of the IT Act, no deduction is allowed in respect of any expenditure incurred in relation to earning such dividend income. The quantum of such expenditure liable for disallowance is to be computed in accordance with the provisions contained therein.
3. Also, Section 94(7) of the IT Act provides that losses arising from the sale/transfer of shares or units purchased within a period of three months prior to the record date and sold/transferred within three months or nine months respectively after such date, will be disallowed to the extent dividend income on such shares or units is claimed as tax exempt.

Capital Gains

1. As per section 2(42A) of the IT Act, shares held in a company or any other security listed in a recognized stock exchange in India or units of the Unit Trust of India or units of a mutual fund specified under section 10(23D) of the IT Act or zero coupon bonds will be considered as short term capital asset if the period of holding of such shares, units or security is twelve months or less. If the period of holding is more than twelve months, it will be considered as long term capital asset as per section 2(29A) of the IT Act. In respect of other assets, the determinative period of holding is thirty six months as against twelve months mentioned above. Further, gain/loss arising from the transfer of short term capital asset and long term capital asset is regarded as short term capital gains/loss and long term capital gains/loss respectively.
2. Under Section 10 (33) of the IT Act, any income arising from the transfer of a capital asset, being a unit of the Unit Scheme, 1964 referred to in Schedule I to the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002 (58 of 2002) and where the transfer of such asset takes place on or after the 1st day of April 2002 is exempt under provisions for computation of income under the head Income from Business or book profits u/s 115JB.
3. Under Section 10(38) of the IT Act, long term capital gains arising to the company on transfer of long term capital asset being an equity share in a company or a unit of an equity oriented fund will be exempt in the hands of the Company, provided such transaction is chargeable to securities transaction tax.

For this purpose, “Equity Oriented Fund” means a fund –

- a. where the investible funds are invested by way of equity shares in domestic companies to the extent of more than sixty five percent of the total proceeds of such funds; and
- b. which has been set up under a scheme of a Mutual Fund specified under Section 10(23D) of the IT Act.

The Long Term Capital gains exempt under Section 10(38) would be liable to MAT under Section 115JB of the IT Act.

4. Under Second Proviso to Section 48 of the IT Act, the long term capital gains (in cases not covered under section 10(38) of the IT Act) of the Company arising on transfer of capital assets other than bonds and debentures (not being capital indexed bonds) will be computed after applying the relevant indexation on the cost of acquisition and cost of improvement. The resulting long term capital gains would be charged @ 20% as per Section 112 of the IT Act plus applicable surcharge and education cess. Alternatively, at the option of the company, in respect of long term capital gains from the sale of listed securities or units or zero coupon bonds where the tax payable in respect of any such long term capital gains exceeds 10% of the amount of capital gains arrived at without indexing the cost, the capital gains is charged at a concessional rate of 10% plus applicable surcharge and education cess.
5. Under Section 54EC of the IT Act and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under Section 10(38) of the IT Act) arising on the transfer of a long-term capital asset will be exempt from capital gains tax if the capital gains are invested in a “long term specified asset” within a period of 6 months from the date of such transfer. If only part of the capital gain is so reinvested, exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, if the assessee transfers or converts the long term specified asset into money within a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long term specified asset is transferred or converted into money.

“Long term specified asset” for the purpose of making investment under Section 54EC of the IT Act, means any bond, redeemable after three years and issued on or after the 1st day of April 2007:

- a. by the National Highways Authority of India constituted under Section 3 of the National Highways Authority of India Act, 1988 or;
- b. by the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956.

The investment in the long term specified Asset made by the Company on or after April 1, 2007 during the financial year should not exceed 50 lakhs rupees.

The cost of the long term specified assets, which has been considered under this section for calculating capital gain, shall not be allowed as a deduction from the Income Tax under Section 80C for any assessment year beginning on or after 1 April, 2006.

6. Under Section 111A of the IT Act, short term capital gains arising to the Company from the sale of a short term capital asset being an equity share or a unit of an equity oriented fund will be taxable at the rate of 15% (plus applicable surcharge and education cess) where such transaction is chargeable to securities transaction tax. Short Term Capital Gains arising from transfer of Shares in a Company, other than those covered by Section 111A of the IT Act, would be subject to tax as calculated under the normal provisions of the IT Act.

For this purpose, ‘equity oriented fund’ would have the same meaning as specified in section 10(38) above.

7. Short-term capital loss suffered by the company during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years’ long term / short term capital gains.

Long-term capital loss suffered during the year is allowed to be set-off against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years’ long-term capital gains.

Losses arising on the purchase and sale of such shares which are speculative in nature shall be allowed to be set off only against the profits arising on speculative transactions alone. The unabsorbed losses, if any, shall be allowed to be carried forward for a period not exceeding four assessment years immediately succeeding the assessment year in which the loss is first computed and set off against the profits arising from the sale of such shares.

Other Deductions

A deduction amounting to 100% or 50%, as the case may be, of the sums paid as donations to various entities is allowable as per section 80G of the IT Act.

A deduction amounting to 100% of any sum contributed to any political party or an electoral trust is allowable under section 80GGB of the IT Act while computing total income.

IV. GENERAL TAX BENEFITS AVAILABLE TO RESIDENT SHAREHOLDERS

1. As per the provisions of Section 10(34) of the IT Act, any income by way of dividends referred to in Section 115 O (i.e. dividends declared, distributed or paid on or after 1 April, 2003) received from domestic company is exempt from income tax in the hands of shareholder.

However, in view of the provisions of Section 14A of the IT Act, no deduction is allowed in respect of any expenditure incurred in relation to earning such dividend income. The quantum of such expenditure liable for disallowance is to be computed in accordance with the provisions contained therein.

Also, Section 94(7) of the IT Act provides that losses arising from the sale/transfer of shares within a period of three months prior to the record date and sold/transferred within three months after such date, will be disallowed to the extent dividend income on such shares is claimed as tax exempt.

2. As per the provisions of Section 10(38) of the IT Act, long term capital gains arising on sale of equity shares in the Company would be exempt from tax where such transaction has suffered securities transaction tax.
3. Under Second Proviso to Section 48 of the IT Act, the long term capital gains (in cases not covered under section 10(38) of the IT Act) of the Shareholder arising on transfer of capital assets other than bonds and debentures (not being capital indexed bonds) will be computed after applying the relevant indexation on the cost of acquisition and cost of improvement. The resulting long term capital gains would be charged to tax @ 20% as per Section 112 of the IT Act plus applicable cess. Alternatively, at the option of the shareholder, in respect of long term capital gains from the sale of listed securities or units or zero coupon bonds where the tax payable in respect of any such long term capital gains exceeds 10% of the amount of capital gains arrived at without indexing the cost, the capital gains is charged at a concessional rate of 10% (plus applicable surcharge and education cess).
4. Under Section 54EC of the IT Act and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under Section 10(38) of the IT Act) arising on the transfer of a long-term capital asset will be exempt from capital gains tax if the capital gains are invested in a “long term specified asset” within a period of 6 months from the date of such transfer. If only part of the capital gain is so reinvested, exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, if the assessee transfers or converts the long term specified asset into money within a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long term specified asset is transferred or converted into money.

“Long term specified asset” for the purpose of making investment under Section 54EC of the IT Act, means any bond, redeemable after three years and issued on or after the 1st day of April 2007:

- a. by the National Highways Authority of India constituted under Section 3 of the National Highways Authority of India Act, 1988 or;
- b. by the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956.

The investment in the long term specified Asset made by the Shareholders on or after April 1, 2007 during the financial year should not exceed 50 lakhs rupees. The cost of the long term specified assets, which has been considered under this section for calculating capital gain, shall not be allowed as a deduction from the Income Tax under Section 80C for any assessment year beginning on or after 1 April, 2006.

5. As per the provisions of Section 54F of the IT Act and subject to the conditions specified therein, long-term capital gains (which are not exempt under Section 10(38) of the IT Act) arising to an individual or a Hindu Undivided Family (“HUF”) on transfer of shares of the Company will be exempt from capital gains tax if the sale proceeds from transfer of such shares are used for purchase of residential house property within a period

of 1 year before or 2 years after the date on which the transfer took place or for construction of residential house property within a period of 3 years after the date of such transfer.

6. As per section 74 short term capital loss suffered during the year is allowed to be set-off against short-term as well as long term capital gain of the said year. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' short term as well as long-term capital gains.

Long term capital loss suffered during the year is allowed to be set-off against long term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' long term capital gains.

Losses arising on the purchase and sale of such shares which are speculative in nature shall be allowed to be set off only against the profits arising on speculative transactions alone. The unabsorbed losses, if any, shall be allowed to be carried forward for a period not exceeding four assessment years immediately succeeding the assessment year in which the loss is first computed and set off against the profits arising from the speculative transactions in those years.

7. In terms of section 36(1)(xv) of the IT Act, STT paid in respect of the taxable securities transactions entered into in the course of the business by a shareholder is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head 'Profit and gains of business or profession'.
8. As per the provisions of Section 111A of the IT Act, short-term capital gains from the sale of equity shares of the Company would be taxable at a rate of 15 percent (plus applicable surcharge and education cess) where such transaction has suffered securities transaction tax.

Short Term Capital Gains arising from transfer of Shares in a Company, other than those covered by Section 111A of the IT Act, would be subject to tax as calculated under the normal provisions of the IT Act.

9. Under section 80CCG of the IT Act, a resident individual being a new retail investor will be allowed deduction of 50% of amount invested in listed equity shares or listed units of equity oriented mutual fund in accordance with Rajiv Gandhi Equity Savings Scheme 2013 subject to maximum deduction of INR 25,000 and fulfillment of other conditions as prescribed.

V. GENERAL TAX BENEFITS AVAILABLE TO NON-RESIDENTS SHAREHOLDERS (OTHER THAN NON-RESIDENT INDIANS, MUTUAL FUNDS, FIIs AND FOREIGN VENTURE CAPITAL INVESTORS)

1. Under the provisions of Section 10(34) of the IT Act, any income by way of dividends referred to in Section 115O (i.e. dividends declared, distributed or paid on or after 1 April, 2003) received on investment in the shares of the company is exempted from the tax.

However, in view of the provisions of Section 14A of the IT Act, no deduction is allowed in respect of any expenditure incurred in relation to earning such dividend income. The quantum of such expenditure liable for disallowance is to be computed in accordance with the provisions contained therein.

Also, Section 94(7) of the IT Act provides that losses arising from the sale/transfer of shares within a period of three months prior to the record date and sold/transferred within three months after such date, will be disallowed to the extent dividend income on such shares is claimed as tax exempt.

2. Under the provisions of Section 10(38) of the IT Act, long-term capital gains arising on transfer of equity shares in the company would be exempt from tax provided such transaction is chargeable to securities transaction tax.
3. Under Section 111A of the IT Act, short-term capital gains arising from the sale of an equity share, being a short term capital asset in the company, would be taxable at a concessional rate of 15 percent (plus applicable surcharge and education cess) where such transaction is liable to securities transaction tax. Short Term Capital Gains arising from transfer of shares in the company, other than those covered by Section 111A of the IT Act,

would be subject to tax as calculated under the normal provisions of the IT Act.\

4. In terms of the first proviso to Section 48 of the IT Act, in case of a non-resident, while computing the capital gains (in cases not covered under section 10(38) and not subject to section 111A of the Act) arising from transfer of shares in or debentures of the company acquired in convertible foreign exchange (as per exchange control regulations), protection is provided from fluctuations in the value of rupee in terms of foreign currency in which the original investment was made. Cost indexation benefits will not be available in such a case.

The Capital gains/loss in such a case is computed by converting the cost of acquisition, sales consideration and expenditure incurred wholly and exclusively in connection with such transfer into same foreign currency which was utilized in the purchase of shares.

5. Under the provisions of Section 54EC of the IT Act and subject to the conditions and to the extent specified therein, long-term capital gains (which are not exempt under Section 10(38) of the IT Act) would not be chargeable to tax to the extent such capital gains are invested in long term specified assets within 6 months from the date of transfer and held for a period of 3 years, from the date of acquisition, in bonds issued by:
 - a. National Highway Authority of India constituted under Section 3 of the National Highway Authority of India Act, 1988;
 - b. Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956;

If only part of the capital gain is so reinvested, exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within three years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year such transfer or conversion into money takes place. The investment in the long term specified asset made by the Shareholder on or after April 1, 2007 during the financial year should not exceed 50 lakhs rupees.

The cost of long term specified assets, which has been considered under this Section for calculating capital gain, shall not be allowed as a deduction from the Income Tax under Section 80C for any assessment year beginning on or after 1 April, 2006.

6. Under the provisions of Section 54F of the IT Act and subject to the conditions specified therein, long-term capital gains (which are not exempt under Section 10(38) of the IT Act) arising to an individual or a Hindu Undivided Family ('HUF') on transfer of shares of the Company will be exempt from capital gains tax if the sale proceeds from such shares are used for purchase of residential house property within a period of 1 year before or 2 years after the date on which the transfer took place or for construction of residential house property within a period of 3 years after the date of such transfer.
7. Under Section 90(2) of the IT Act, provisions of the Double Taxation Avoidance Agreement (DTAA) between India and the country of residence of the Non-Resident would prevail over the provisions of the IT Act to the extent the DTAA is more beneficial to the Non-Resident.

Losses arising on the purchase and sale of such shares which are speculative in nature shall be allowed to be set off only against the profits arising on speculative transactions alone. The unabsorbed losses, if any, shall be allowed to be carried forward for a period not exceeding four assessment years immediately succeeding the assessment year in which the loss is first computed and set off against the profits arising from the sale of such shares.

VI. GENERAL TAX BENEFITS AVAILABLE TO NON-RESIDENT INDIAN SHAREHOLDERS

1. Under the provisions of Section 10(34) of the IT Act, any income by way of dividends referred to in Section 115O (i.e. dividends declared, distributed or paid on or after 1 April, 2003) received on investment in the shares of the company is exempted from the tax and are not subjected to any deduction of tax at source.

However, in view of the provisions of Section 14A of the IT Act, no deduction is allowed in respect of any expenditure incurred in relation to earning such dividend income. The quantum of such expenditure liable for

disallowance is to be computed in accordance with the provisions contained therein.

Also, Section 94(7) of the IT Act provides that losses arising from the sale/transfer of shares within a period of three months prior to the record date and sold/transferred within three months after such date, will be disallowed to the extent dividend income on such shares is claimed as tax exempt.

2. Under the provisions of Section 10(38) of the IT Act, long-term capital gains arising on transfer of equity shares in the company would be exempt from tax provided such transaction is chargeable to securities transaction tax.
3. Under Section 111A of the IT Act, short-term capital gains arising from the sale of an equity share, being a short term capital asset in the company, would be taxable at a concessional rate of 15 percent (plus applicable surcharge and education cess) where such transaction is liable to securities transaction tax. Short Term Capital Gains arising from transfer of shares in the company, other than those covered by Section 111A of the IT Act, would be subject to tax as calculated under the normal provisions of the IT Act.
4. In terms of the first proviso to Section 48 of the IT Act, in case of a non-resident, while computing the capital gains (in cases not covered under section 10(38) and not subject to section 111A of the Act) arising from transfer of shares in or debentures of the company acquired in convertible foreign exchange (as per exchange control regulations), protection is provided from fluctuations in the value of rupee in terms of foreign currency in which the original investment was made. Cost indexation benefits will not be available in such a case. The Capital gains/loss in such a case is computed by converting the cost of acquisition, sales consideration and expenditure incurred wholly and exclusively in connection with such transfer into same foreign currency which was utilized in the purchase of shares.
5. Under the provisions of Section 54EC of the IT Act and subject to the conditions and to the extent specified therein, long-term capital gains (which are not exempt under Section 10(38) of the IT Act) would not be chargeable to tax to the extent such capital gains are invested in long term specified assets within 6 months from the date of transfer and held for a period of 3 years, from the date of acquisition, in bonds issued by:
 - a. National Highway Authority of India constituted under Section 3 of the National Highway Authority of India Act, 1988;
 - b. Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956;

If only part of the capital gain is so reinvested, exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within three years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year such transfer or conversion into money takes place. The investment in the long term specified asset made by the Shareholder on or after April 1, 2007 during the financial year should not exceed 50 lakhs rupees

The cost of long term specified assets, which has been considered under this Section for calculating capital gain, shall not be allowed as a deduction from the Income Tax under Section 80C for any assessment year beginning on or after 1 April, 2006.

6. Under the provisions of Section 54F of the IT Act and subject to the conditions specified therein, long-term capital gains (which are not exempt under Section 10(38) of the IT Act) arising to an individual or a Hindu Undivided Family ('HUF') on transfer of shares of the Company will be exempt from capital gains tax if the sale proceeds from such shares are used for purchase of residential house property within a period of 1 year before or 2 years after the date on which the transfer took place or for construction of residential house property within a period of 3 years after the date of such transfer.
7. Losses arising on the purchase and sale of such shares which are speculative in nature shall be allowed to be set off only against the profits arising on speculative transactions alone. The unabsorbed losses, if any, shall be allowed to be carried forward for a period not exceeding four assessment years immediately succeeding the assessment year in which the loss is first computed and set off against the profits arising from the sale of such shares.

8. Special provisions relating to taxation of Income from Investment and long term capital gains (other than those exempt under section 10(38) of the IT Act):
- a. A non-resident Indian, i.e. an individual being a citizen of India or a person of Indian origin has an option to be governed by the special provisions contained in Chapter XIIA of the Act, i.e. “Special provisions relating to certain incomes of non-residents”.
 - b. Under section 115E of the IT Act, where shares in a company are subscribed for in convertible foreign exchange by a non-resident Indian, capital gains arising to such non-resident Indian on transfer of shares held for a period exceeding 12 months shall (in case not covered under section 10(38) of the IT Act) be taxed at a flat rate of 10% (plus applicable educational cess) without indexation benefit, but with protection against foreign exchange fluctuation under the first proviso to section 48 of the IT Act.
 - c. Under section 115F of the IT Act, long term capital gains (not covered under section 10(38) of the IT Act) arising to a non-resident Indian from the transfer of shares of the company subscribed to in convertible foreign exchange shall be exempt from income tax if the entire net consideration is reinvested in specified new assets within six months from the date of transfer. If only a part of the net consideration is so invested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the new assets are transferred or converted into money within three years from the date of their acquisition.
 - d. Under section 115G of the IT Act, non-resident Indians are not obliged to file a return of income, if their only source of income is income from specified investments or long term capital gains or both arising out of specified investments acquired, purchased or subscribed in convertible foreign exchange, provided tax has been deducted there from as per the provisions of Chapter XVII-B of the IT Act.
 - e. Under section 115H of the IT Act, where a non-resident becomes assessable as resident in India, he may furnish to the Assessing Officer a declaration in writing along with his return of income under section 139 for that assessment year, to the effect that the provisions of Chapter XII-A shall continue to apply to him in relation to the investment income derived from any specified investments for that year and any subsequent assessment years until such investments are transferred or converted into money.
 - f. Under section 115I of the IT Act, a non-resident Indian may elect not to be governed by the provisions of Chapter XII-A of the IT Act for any assessment year by furnishing his return of income under section 139 of the IT Act declaring therein that the provisions of this Chapter shall not apply to him for that assessment year. In such a case, the tax on Investment income and long term capital gains shall be computed in accordance with the normal provisions of the IT Act.
9. Under Section 90(2) of the IT Act, provisions of the Double Taxation Avoidance Agreement (DTAA) between India and the country of residence of the Non-Resident Indian would prevail over the provisions of the IT Act to the extent the DTAA is more beneficial to the Non-Resident Indian.
10. In terms of section 36(1)(xv) of the IT Act, STT paid in respect of the taxable securities transactions entered into in the course of the business by a shareholder is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head ‘Profit and gains of business or profession’.

VII. GENERAL TAX BENEFITS AVAILABLE TO VENTURE CAPITAL COMPANIES / FUNDS

- 1. Under section 10(23FA) of the IT Act, any income by way of dividends (other than dividends referred to in section 115O) or long term capital gains of a venture capital fund or venture capital company from investment in equity shares of a venture capital undertaking (engaged in specified businesses) would be exempt from tax subject to the conditions specified.
- 2. Under Section 90(2) of the IT Act, provisions of the Double Taxation Avoidance Agreement (DTAA) between India and the country of residence of the Fund (if non- resident) would prevail over the provisions of the IT Act to the extent the DTAA is more beneficial to the non-resident.

NEW AMENDMENTS UNDER THE IT ACT

The Government of India has recently made amendments in the existing income tax laws to incorporate provisions relating to General Anti-Avoidance Rules (GAAR). GAAR would be effective from Financial Year 2015-2016 (Assessment Year 2016-17).

LEGAL PROCEEDINGS

The Company and its Subsidiaries are subject to various legal proceedings from time to time, mostly arising in the ordinary course of its business. As of the date of this Placement Document, except as disclosed hereunder, the Company and its Subsidiaries are not involved in any material governmental, legal, tax related or arbitration proceedings or litigation and the Company is not aware of any pending or threatened material governmental, legal, tax or arbitration proceedings or litigation relating to the Company and its Subsidiaries which may have a significant effect on the performance of the Company. The Company has no outstanding defaults in relation to statutory dues payable, dues payable to holders of any debentures and interest thereon, and in respect of deposits and interest thereon, defaults in repayment of loans from any bank or financial institution and interest thereon.

LEGAL PROCEEDINGS INVOLVING THE COMPANY:

A. Civil and Consumer Proceedings:

1. NTPC Limited filed statement of claim and supplementary statement of claim before the Arbitral Tribunal comprising Honourable Mr. Justice V.K. Gupta, Mr. Sanjeev Puri and Mr. R.D. Gupta against the Company claiming an award for the sum of ₹ 119.03 million on account of overhead charges on the total cost incurred by NTPC in re-tendering and awarding the contract to new contractors in addition to original claim of ₹ 100.57 million, along with interest at the rate of 24% per annum until satisfaction of such claims with effect from May 17, 2006. The claims made by NTPC were on the alleged ground of failure of the Company to commence work under the contracts dated June 30, 2005 entered between NTPC and the Company. The Company filed reply before the Arbitral Tribunal denying claims of NTPC and seeking dismissal of the same on the grounds of the claim being not maintainable under law and also seeking award of ₹ 132.48 million together with interest at the rate of 24% per annum, on the alleged ground that the contract entered between NTPC and the Company was terminated without any valid reason and without following the criteria set out in clause 42.2 of the General Conditions of Contract. The matter is pending hearing and final settlement.
2. The Company filed statement of claim and supplementary statement of claim before the Hon'ble Mr. Chittatosh Mookherjee, Former Chief Justice of Calcutta High Court and Bombay High Court, Arbitrator against Kolkata Municipal Corporation ("KMC") claiming an award for the sum of ₹ 41.79 million along with interest at the rate of 18% per annum until satisfaction of such claims arising out of termination of contract dated May 21, 2007 entered between the Company and KMC for construction of sewerage and drainage pumping stations at Borough –VII, Package-4, a project undertaken by the Kolkata Environmental Improvement Project. KMC filed a statement of defence and counter claim disputing all the claims made by the Company and seeking counterclaim against the Company for an amount of ₹ 29.06 million along with interest at the rate of 18% per annum on the ground of KMC acting in breach of contract. The matter is still pending final award.
3. The Company filed a consumer complaint vide case no. CC/18/2013 before State Consumer Disputes Redressal Commission, West Bengal against Tata AIG General Insurance Company Limited ("Tata AIG") seeking claim of ₹ 5.56 million under the transit insurance policy availed by the Company from Tata AIG for insuring losses and damages which may occur to the machines during transit, along with compensation of ₹ 3.00 million and interest at the rate of 18% from the date of lodgement of the claim by the Company till realisation. The claim has been filed by the Company on the alleged grounds of rejection of claims, negligence and deficiency in service by the Tata AIG. Tata AIG filed a written submission in reply to the claim filed by the Company seeking dismissal of the complaint on the grounds of the same being unjustified, unreasonable and untenable under the Consumer Protection Act, 1986. The matter is still pending hearing.
4. The Company filed a consumer complaint vide case no. CC/61/2013 before Learned District Consumer Dispute Redressal Forum, Kolkata (Unit-I) against Tata AIG seeking claim of ₹ 0.52 million under the transit insurance policy availed by the Company from Tata AIG for insuring losses and damages which may occur to the machines during transit, along with compensation of ₹ 0.30 million and interest at the rate of 18% from the date of lodgement of the claim by the Company till realisation. The claim has been filed by the Company on the alleged grounds of rejection of claims, negligence and deficiency in service by the Tata AIG. Tata AIG filed a written submission in reply to the claim filed by the Company seeking dismissal of the complaint on the grounds of the complaint being malafide and false. The matter is still pending hearing.

5. The Company filed a consumer complaint vide case no. CC/68/2013 before State Consumer Disputes Redressal Commission, West Bengal against Tata AIG seeking claim of ₹ 8.69 million under the transit insurance policy availed by the Company from Tata AIG for insuring losses and damages which may occur to the machines during transit, along with compensation of ₹ 1.00 million and interest at the rate of 18% from the date of lodgement of the claim by the Company till realisation. The claim has been filed by the Company on the alleged grounds of rejection of claims, negligence and deficiency in service by the Tata AIG. Tata AIG filed a written submission in reply to the claim filed by the Company seeking dismissal of the complaint on the grounds of the complaint being malafide and false. The matter is still pending hearing.
6. The Company filed appeal before the West Bengal Pollution Control Board (“**Board**”) against the order dated October 1, 2010 issued by the Board. The appeal was filed by the Company for vacating the order of the Board directing the unit of the Company located at Gonipur to operate between 8 am to 8 pm. The order was passed by the Board pursuant to complaint of Mr. Narayan Madhu, Namita Majumdar and others on the ground of severe noise pollution suffered by them due to activities of the Company’s unit located at Gonipur. The matter is still pending hearing.
7. Notice issued by Assistant Labour Commissioner cum Assessment Officer, Dhanbad to the Company in relation to determining cess upon the work for supply of pumps delegated by Maithon Power Limited to the Company under Building or Other Construction Work Act, 1996. The amount of labour cess determined is 1% of the payment made by Maithon Power Limited to the Company. The Company replied to the notice vide letter dated August 14, 2014 submitting that the supplying of pumps and spares, causing transit insurance of the items supplied, payment of freight charges of the items supplied and payment of comprehensive insurance at site were expenditures and no cess can be computed on the said jobs and the only jobs on which the cess can be computed were unloading and storage in site handling and erection and commissioning of pump set for which the total received by the Company from Maithon amounts to ₹ 1.75 million and the amount of cess on the same will be ₹ 0.02 million.

B. Tax Proceedings:

1. The Company has filed an appeal and stay petition before the Commissioner (Appeals-I), Central Excise, Kolkata on April 21, 2014 challenging the Order-in Original No. CE/KHD-I/AC-07/2013-14 (“**Order**”) dated February 18, 2014 passed by the Assistant Commissioner, Central Excise, Khardah-I Division. Pursuant to the Order of the Assistant Commissioner, the Company is required to pay a sum of ₹ 0.15 million and education cess of ₹ 3,015 under section 11A (1) of the Central Excise Act, 1944 (“**Excise Act**”) along with penalty of ₹ 0.15 million under section 11AC of the Excise Act and with recovery of interest at an appropriate rate under Section 11AB of the Excise Act. The Company has preferred an appeal for unconditional stay on the Order on the ground that the Order is not proper and the same is not maintainable by law.
2. The Company has filed an appeal and stay petition before the Customs, Excise & Service Tax Appellate Tribunal, Kolkata (“**CESTAT**”) on September 2, 2011 challenging the Order-in-Appeal No. 190/Kol-II/2011 (“**Order**”) dated May 23, 2011 passed by the Commissioner (Appeal-I) of Central Excise, Kolkata. Pursuant to the said Order, the Company is required to pay a sum of ₹ 0.04 million for pre-deposit of CENVAT along with a penalty of ₹ 0.04 million. The Company has preferred an appeal unconditional stay on the Order on the ground that the Order is not maintainable by law.
3. The Company filed an appeal on April 24, 2014 under Section 246A of the IT Act before the Commissioner of Income Tax (Appeals), Kolkata against the assessment order dated March 28, 2014 passed under Section 143(3) of the IT Act by the Joint Commissioner of Income Tax, Kolkata. The appeal has been filed on the ground that the Joint Commissioner of Income Tax erred in not allowing certain deductions and disallowances such as deduction of capital expenditure incurred for in house development of R&D facility, disallowing warranty charges, disallowing the discount on sales for the assessment year 2011-12 resulting in total taxable income of the Company amounting to ₹ 221.70 million. The total taxable income for the assessment year 2011-12 as computed by the Company was ₹ 212.98 million. The appeal is currently pending hearing.
4. The appeals have been made by the Company in connection with five sales tax related disputes before various forums under the local and central sales tax/value added tax statutes in India. The claims under these sales tax proceedings amount to ₹ 17.86 million in aggregate and the same has been classified under contingent liabilities not provided for as on March 31, 2014 in the audited consolidated financial statements. Please see contingent

liabilities under the section “Management Discussion and Analysis of Financial Conditions” and “Financial Statements” on page 53 and 147, respectively, of this Placement Document.

LEGAL PROCEEDINGS INVOLVING THE SUBSIDIARIES:

1. Mody Industries (Foreign Collaboration) Private Limited, Mr. Rajendra Kumar Mody and Mr. Shafteequr Rehman Shah (the “**Applicants**”) filed a revision application before the Industrial Court, Thane, against Mr. M. Vimosanar Singh Nadar (“**Respondent**”) on November, 2009 seeking setting aside and stay on operation and implementation of the impugned judgment dated October 15, 2009 passed by the Hon’ble IV Labour Court, Thane, directing Applicants from ceasing and desisting from engaging in unfair labour practice and directing payment of full back wages to the Respondent from the date of his termination till the Respondent reaching the age of superannuation on the grounds that the Applicants were engaging in unfair labour practices under the Maharashtra Recognition of Trade Unions and Prevention of Unfair Labour Practices Act, 1971. The matter is currently pending hearing. For further details, please see contingent liabilities under the section “Management Discussion and Analysis of Financial Conditions” and “Financial Statements” on page 53 and 147, respectively, of this Placement Document.

MATERIAL FRAUDS COMMITTED AGAINST THE COMPANY:

As on date, there are no material frauds committed against the Company.

LITIGATION INVOLVING THE PROMOTERS

Other than as mentioned below, there are no litigations or legal actions pending or taken by any ministry or department of the Government or statutory authority against the Promoters during the last three years immediately preceding the year of the circulation of this Placement Document and any direction issued by such ministry or department of the Government or statutory authority upon conclusion of such litigation or legal action:

SEBI passed an ex-parte order dated June 4, 2013 (“**SEBI Order**”) in connection with non-compliance by Tea Time Limited with minimum public shareholding requirements stipulated under the SCRR (“**Minimum Public Shareholding**”). Mr. Prakash Agarwal, Hindusthan Udyog Limited and Asutosh Enterprise Limited and other entities forming part of our Promoter and Promoter Group are also promoter and promoter group in Tea Time Limited and Mr. K.K. Ganeriwala, Whole time Director on the Board of the Company is a director on the board of Tea Time Limited. Pursuant to the said SEBI Order, SEBI has directed freezing of voting rights and corporate benefits with respect to the excess of proportionate shareholding of the promoter and promoter group entities of Tea Time Limited, prohibited promoter and promoter group entities and directors on the board of Tea Time Limited from buying, selling or otherwise dealing in securities of Tea Time Limited, either directly or indirectly, till the time of compliance with Minimum Public Shareholding, restrained the promoter and promoter group entities and directors of Tea Time Limited from holding any new position as director in any other listed company with effect from the date of the SEBI Order. Additionally, SEBI also has right to take any other action, including levying of monetary penalty under adjudication proceedings and initiating criminal proceedings against the Promoter and Promoter Group as mentioned above and Mr. K.K. Ganeriwala, in his capacity as a director on the board of Tea Time Limited.

LITIGATION INVOLVING THE DIRECTORS

A criminal complaint has been filed by Soumya Chatterjee, Inspector of Factories, Barrackpore (“**Complainant**”) in the court of Chief Judicial Magistrate, Burdwan on August 5, 2013 against Mr. K.K. Ganeriwala, in his capacity as a occupier of the factory located at 22, Ferry Fund Road, Panihati and Mr. Himadri Chakraborty, Deputy General Manager, under section 92 of the Factories Act, 1948, for the contravention of the provisions of Rule 51 of the West Bengal Factories Rules, 1958. The complaint has been filed by the Complainant due to occurrence of fatal accident of Mr. Sukumar Biswas, Grinder cum Fitter at the premises of the factory located at Panihati while lifting the suction bell to fit the suction bell cap with the help of overhead crane, on the alleged grounds of the failure of the management to develop the safe operating procedures incorporating all sorts of risks/ hazards/ dangers and anticipated and inherent risks starting from the beginning of the processes/ casting operation. Pursuant to the order dated March 14, 2014 passed by Additional Chief Judicial Magistrate, Barrackpore 24 Parganas (North), the matter was disposed of along with levy of penalty of ₹ 5,000 each against Mr. K. K. Ganeriwala and Mr. Himadri Chakraborty.

INQUIRIES, INSPECTION OR INVESTIGATION IN LAST THREE YEARS UNDER THE COMPANIES ACT

There have been no inquiries, inspection or investigation in the last three years against the Company and its Subsidiaries under the Companies Act from the date of filing of this Placement Document.

STATUTORY AUDITORS

M/s. V. Singhi & Associates, Chartered Accountants, are our current statutory auditors as required by the Companies Act and in accordance with the guidelines issued by the ICAI have audited the consolidated financial statements as of and for the years ended March 31, 2014, 2013 and 2012 and whose audit reports are included in this Placement Document and have performed limited review of the unaudited reviewed financial statements of the Company as of and for the six month period ended September 30, 2014 and whose limited review report in relation to such financial statements has been included in the Preliminary Placement Document and this Placement Document.

GENERAL INFORMATION

1. The Company was incorporated on February 26, 1952 under the Companies Act, 1913, as Johnston Pumps India Limited. Pursuant to fresh certificate of incorporation dated January 20, 1983, the name of the Company changed to Worthington Pump India Limited and subsequently vide certificate of incorporation dated September 17, 1996, the name of the Company changed to WPIL Limited. The registered and corporate office of the Company is located at Trinity Plaza, 3rd Floor, 84/1A, Topsia Road (South), Kolkata-700 046.
2. The authorized share capital of the Company is ₹ 100.00 million comprising 98,60,000 Equity Shares and 14,00,000, 11% redeemable cumulative preference shares of ₹ 100 each and the issued subscribed and paid up capital of the Company as on date is ₹ 79.67 million comprising 79,67,080 Equity Shares.
3. The Equity Shares of the Company are listed on BSE and CSE.
4. This Issue was authorised and approved by the Board of Directors on September 12, 2014 and approved by the shareholders through postal ballot resolution on October 22, 2014.
5. We have received in-principle approvals to list the Equity Shares to be issued pursuant to this Issue from BSE and CSE on December 11, 2014 and December 12, 2014, respectively.
6. For the main objects of the Company, please refer to Memorandum of Association. Copies of our Memorandum and Articles of Association will be available for inspection between 3 pm to 5 pm on any weekday (except Saturdays, Sundays and public holidays) at our Registered Office.
7. There has been no material change in our financial or trading position since March 31, 2014, the date of the last published audited financial statements prepared in accordance with Indian GAAP included in this Placement Document, except as disclosed herein.
8. M/s V. Singhi & Associates, Chartered Accountants, have audited the financial statements as of and for the years ended March 31, 2014, 2013 and 2012 and have performed limited review of the unaudited reviewed financial statements of the Company as of and for the six month period ended September 30, 2014.
9. Except as disclosed in this Placement Document, there are no litigation or arbitration proceedings against or affecting us, or our assets or revenues, nor are we aware of any pending or threatened litigation or arbitration proceedings, which are or might be material in the context of this Issue.
10. We confirm that we are in compliance with the minimum public shareholding requirements as specified in the SCRR.
11. The Floor Price is ₹ 559.40 per Equity Share, calculated in accordance with the provisions of Chapter VIII of the SEBI Regulations, as certified by M/s. V. Singhi & Associates, Chartered Accountants.
12. The Company and BRLM accepts no responsibility for statements made otherwise than in this Placement Document and anyone placing reliance on any other source of information including our website would be doing it at his or her own risk.

FINANCIAL STATEMENTS

Financial Statements	Page No.
Limited review report and financials for the six months period ended September 30, 2014	F-1 – F-3
Report and audited consolidated financial statements for the year ended March 31, 2014	F-4 – F-30
Report and audited consolidated financial statements for the year ended March 31, 2013	F-31 – F-58
Report and audited consolidated financial statements for the year ended March 31, 2012	F-59 – F-83

Dear Sirs,

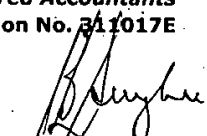
Sub: Report on Limited Review of the Un-audited Financial Results of the Company for the Quarter ended 30th September, 2014.

1. We have reviewed the accompanying statement of Un-audited Financial Results of WPIL Limited (the 'Company') for the quarter ended 30th September, 2014. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, Engagements to Review Financial Statements issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our Review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of Un-audited Financial Results prepared in accordance with the Accounting Standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements including the manner in which it is to be disclosed, or that it contains any material misstatement.



Place: Kolkata
Date: 29th October, 2014

For V. SINGHI & ASSOCIATES
Chartered Accountants
Firm Registration No. 311017E


(V. K. SINGHI)
Partner

Membership No. 050051

UNAUDITED FINANCIAL RESULTS
For the Quarter and Half Year ended 30th September, 2014

		Rs/lacs					
	Particulars	3 months ended 30.09.2014	Previous 3 months ended 30.06.2014	Corresponding 3 months in the Previous year ended 30.09.2013	6 months ended 30.09.2014	Corresponding 6 months in the Previous year ended 30.09.2013	Year ended 31.03.2014 (Audited)
1.	a) Net Sales / Income from Operations (net of excise duty)	6,107.33	5,185.64	6,495.95	11,292.97	10,762.00	26,138.66
	b) Other Operating Income	98.85	114.47	115.49	213.32	179.00	321.12
		6,206.18	5,300.11	6,611.44	11,506.29	10,941.00	26,459.78
2.	EXPENDITURE						
	a) (Increase)/ Decrease in the inventory of Finished Goods and Work in Progress	160.40	67.76	26.76	228.16	(101.34)	209.71
	b) Cost of Raw Materials Consumed	3,309.73	3,140.44	3,903.06	6,450.17	6,488.36	15,783.59
	c) Employees Benefit Expenses	482.02	469.96	419.83	951.98	870.67	1,920.92
	d) Depreciation	80.29	74.09	53.56	154.38	104.06	214.61
	e) Other Expenses	1,244.61	789.06	989.16	2,033.67	1,643.31	4,787.34
	Total	5,277.05	4,541.31	5,392.37	9,818.36	9,005.06	22,916.17
3.	Profit from Operations before Other Income and Finance Cost (1-2)	929.13	758.80	1,219.07	1,687.93	1,935.94	3,543.61
4.	Other Income	72.22	47.68	58.03	119.90	95.45	640.15
5.	Profit from Ordinary activities, before Finance Cost (3+4)	1,001.35	806.48	1,277.10	1,807.83	2,031.39	4,183.76
6.	Finance Cost	365.38	332.85	713.55	698.23	1,176.34	1,771.37
7.	Profit from Ordinary Activities, before Tax (5-6)	635.97	473.63	563.55	1,109.60	855.05	2,412.39
8.	Provision for Taxation						
	- Current Tax	213.00	160.00	175.00	373.00	270.00	646.00
	- Deferred Tax	4.52	(0.14)	8.16	4.38	9.36	41.28
	- Tax adjustment for previous year	-	-	-	-	-	7.66
9.	Net Profit (7-8)	418.45	313.77	380.39	732.22	575.69	1,717.45
10.	Paid Up Equity Share Capital	796.71	796.71	796.71	796.71	796.71	796.71
	- Face value of Equity Share - Rs 10 per share						
11.	Reserves and Surplus (excluding Revaluation Reserve)						9,094.57
12.	Basic and Diluted Earning Per Share for the period, for the year to date and for the previous year (not annualised).	5.25	3.94	4.78	9.19	7.23	21.56

Contd. 2



Contd. from 1

	Particulars	3 months ended 30.09.2014	Previous 3 months ended 30.06.2014	Corresponding 3 months in the Previous year ended 30.09.2013	6 months ended 30.09.2014	Corresponding 6 months in the Previous year ended 30.09.2013	Year ended 31.03.2014 (Audited)
1	A. PARTICULARS OF SHAREHOLDING						
	Public Shareholding						
	- Number of Shares	2,002,329	2,002,329	2,002,329	2,002,329	2,002,329	2,002,329
	- Percentage of Shareholding	25.13	25.13	25.13	25.13	25.13	25.13
2.	Promoters and Promoter Group Shareholding						
a)	Pledged / encumbered						
b)	Non - encumbered						
	- No. of Shares	5,964,751	5,964,751	5,964,751	5,964,751	5,964,751	5,964,751
	- Percentage of Shares	100.00	100.00	100.00	100.00	100.00	100.00
	(as a % of the total Shareholding of the promoter and promoter group)						
	- Percentage of Shares	74.87	74.87	74.87	74.87	74.87	74.87
	(as a % of the total Share Capital of the Company)						

Particulars	3 months ended 30.09.2014
B. INVESTORS' COMPLAINTS	
Pending at the beginning of the quarter	0
Received during the quarter	1
Disposed of during the quarter	1
Remaining unresolved at the end of the quarter	0

STATEMENT OF ASSETS AND LIABILITIES

	As at 30.09.2014	As at 31.03.2014
A. EQUITY AND LIABILITIES		
1) Shareholders' Funds		
a) Share Capital	796.71	796.71
b) Reserves and Surplus	9,859.40	9,145.56
Sub - total - Shareholders' Fund	10,656.11	9,942.27
2) Non - Current Liabilities		
a) Long - Term Borrowings	2,018.19	2,022.28
b) Deferred Tax Liabilities (net)	340.34	335.97
c) Long - Term Provisions	78.68	78.68
Sub - total - Non-Current Liabilities	2,437.21	2,436.93
3) Current Liabilities		
a) Short -Term Borrowings	6,547.85	7,321.41
b) Trade Payables	6,656.78	8,885.92
c) Other Current Liabilities	2,816.21	2,693.80
d) Short -Term Provisions	549.44	341.15
Sub - total - Current Liabilities	16,570.28	19,242.28
Total - EQUITY AND LIABILITIES	29,663.60	31,621.48
B. ASSETS		
1) Non - Current Assets		
a) Fixed Assets	3,245.32	3,332.98
b) Non - Current Investments	3,795.36	3,795.36
c) Long - Term Loans and Advances	618.48	558.83
Sub - total - Non-Current Assets	7,659.16	7,687.17
2) Current Assets		
a) Inventories	1,760.90	2,439.08
b) Trade Receivables	16,629.42	18,145.44
c) Cash and Cash equivalents	158.81	99.40
d) Short - Term Loans and Advances	3,248.67	2,910.72
e) Other Current Assets	206.64	339.67
Sub - total - Current Assets	22,004.44	23,934.31
Total - ASSETS	29,663.60	31,621.48

Notes:

- Segment Reporting as defined in Accounting Standard - 17 is not applicable, since the operation of the Company relates to a single primary business segment, i.e. Pumps.
- Figures for the previous period / year have been re-arranged / re-grouped wherever found necessary.
- The Statutory Auditors' have conducted a Limited Review of the above result as required by the Listing Agreements with Stock Exchanges.
- The foregoing statement of Unaudited Financial Results have been taken on record and approved by the Audit Committee and by the Board of Directors of the Company at their respective meetings held on 28th October, 2014.

By Order of the Board
WPIL LIMITED

Rat Ag

P. AGARWAL
(Managing Director)
DIN : 00249468

Place : Kolkata
Date : 28th October, 2014.



INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF WPIL LIMITED

Report on the Consolidated Financial Statement

We have audited the accompanying consolidated financial statements of WPIL Limited ("the Company") and its subsidiaries and joint ventures, which comprise the consolidated Balance Sheet as at 31st March, 2014, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (which continues to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Other Matters

1. The Financial Statements of subsidiaries namely WPIL International Pte Limited (Singapore), Mathers Foundry Limited (United Kingdom), WPIL SA Holding Pty Limited (South Africa), APE Pumps Pty Limited, Mather & Platt (SA) Pty Limited, PSV Zambia Ltd (Zambia) and Mody Industries (FC) Private Limited (India), and Joint venture namely WPIL (Thailand) Co. Limited (Thailand) have not been audited by us. These Financial Statements have been audited by other auditors as appointed under the respective laws.
2. We have relied on the unaudited Financial Statements of the Subsidiary Companies namely Sterling Pumps Pty Limited (Australia) and the Joint Venture Company namely Clyde Pump India Private Limited. Their

INDEPENDENT AUDITOR'S REPORT (contd.)

Financial Statements reflect the Group's share of Total Assets of Rs.2,985.13 Lakhs as at 31st March, 2014 and the Group's share of Total Revenues of Rs. 3,844.67 Lakhs for the year ended on that date, and Net Cash Outflows of Rs. 321.70 Lakhs for the year ended on that date. These Financial Statements and other financial information have been derived from the Unaudited Financial Statements furnished to us and in our opinion, in so far as it relates to the amounts included in respect of the subsidiary and joint venture, is based solely on the "Fit for Consolidation Report" of the Management.

3. The Financial Statements of subsidiaries and joint ventures, whose financial statements reflect the Group's share of Total Assets of Rs. 20,877.79 Lakhs as at 31st March, 2014 and the Group's share of Total Revenues of Rs. 21,199.04 Lakhs for the year ended on that date, and Net Cash Inflows of Rs. 1,756.19 Lakhs for the year ended on that date have not been audited by us.
4. The Financial Statements of the foreign entities have been restated, where considered necessary, to comply with Generally Accepted Accounting Principles in India. Disclosures in respect of the above mentioned Financial Statements are given to the extent of available information.
5. Our opinion on the figures included in the aforesaid results relating to subsidiaries and joint ventures to the extent not audited/reviewed by us have been formed based on the reports received by other auditors/management of the Company.
6. We report that the Consolidated Financial Statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard 21 – "Consolidated Financial Statements" and Accounting Standard 27- "Financial Reporting of Interests in Joint Ventures" and other applicable Accounting Standards as notified by the Companies (Accounting Standard) Rules, 2006.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- (ii) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- (iii) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Four Mangoe Lane
Surendra Mohan Ghosh Sarani
Kolkata 700 001
Dated : 21st May, 2014

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

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

CONSOLIDATED BALANCE SHEET
AS AT 31ST MARCH, 2014

	Note No.	31st March, 2014		31st March, 2013	
		Rs.	Rs.	Rs.	Rs.
I. EQUITY AND LIABILITIES					
1) Shareholders' Funds					
a) Share Capital	2	7,96,70,800		7,96,70,800	
b) Reserves and Surplus	3	128,26,89,088	136,23,59,889	102,54,89,091	110,51,59,891
2) Minority Interest			34,63,96,538		26,68,68,121
3) Non - Current Liabilities					
a) Long-term Borrowings	4	79,34,76,745		98,60,21,274	
b) Deferred Tax Liabilities (net)	5	2,92,10,598		1,28,78,973	
c) Long-term Provisions	6	92,25,122	83,19,12,465	73,50,968	100,62,51,215
4) Current Liabilities					
a) Short-term Borrowings	7	79,66,96,215		62,85,14,247	
b) Trade Payables	8	103,35,52,014		89,35,20,857	
c) Other Current Liabilities	9	78,40,44,572		88,04,37,827	
d) Short-term Provisions	10	4,91,64,411	266,34,57,212	4,45,75,926	244,70,48,857
Total			520,41,26,104		482,53,28,084
II. ASSETS					
1) Non - Current Assets					
a) Fixed Assets					
i) Tangible Assets	11	112,73,57,649		94,40,97,240	
ii) Intangible Assets		40,37,32,537		42,30,14,453	
iii) Capital Work-in-Progress		43,35,303		1,70,33,598	
		153,54,25,489		138,41,45,291	
b) Non - Current Investments	12	16,000		16,000	
c) Long - term Loans and Advances	13	5,77,56,900	159,31,98,390	5,39,62,122	143,81,23,413
2) Current Assets					
a) Inventories	14	75,82,10,509		73,79,55,779	
b) Trade Receivables	15	236,62,25,645		221,38,98,226	
c) Cash and Cash Equivalents	16	18,34,71,881		12,48,53,321	
d) Short - term Loans and Advances	17	25,50,62,811		21,30,38,964	
e) Other Current Assets	18	4,79,56,869	361,09,27,715	9,74,58,381	338,72,04,671
Total			520,41,26,104		482,53,28,084

Significant Accounting Policies

1

The accompanying Notes form an integral part of the Financial Statements

	As per our Report of even date		
	For V. Singhi & Associates		
	Chartered Accountants		
	Registration no. 311017E	PRAKASH AGARWAL	Managing Director
	(V. K. SINGHI)	K.K. GANERIWALA	Executive Director
Place : Kolkata	Partner	U. CHAKRAVARTY	General Manager (Finance)
Date : 21st May 2014	Membership no. 50051		& Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31ST MARCH, 2014

	Note No.	Year ended 31st March, 2014 Rs.		Year ended 31st March, 2013 Rs.	
I. Revenue from Operations	19	520,53,33,131		518,36,57,497	
Less : Excise Duty		<u>9,48,16,767</u>	511,05,16,364	<u>8,80,14,906</u>	509,56,42,591
II. Other Income	20		1,77,76,266		24,34,05,476
III. Total Revenue (I + II)			512,82,92,630		533,90,48,067
IV. Expenses					
Cost of Raw Materials and Components consumed	21		272,68,00,228		296,66,35,267
Changes in Inventories of Finished Goods and Work in Progress :	22		(14,56,75,185)		(12,48,64,519)
Employee Benefits Expenses	23		81,81,64,224		77,62,83,759
Finance Cost	24		23,01,24,321		19,38,36,429
Depreciation	11	6,76,99,000		6,75,97,185	
Less: Transferred from Revaluation Reserve		<u>2,19,974</u>	6,74,79,026	<u>2,20,268</u>	6,73,76,917
Other Expenses	25		89,52,21,953		77,87,55,973
			459,21,14,567		465,80,23,826
V. Profit before tax (III - IV)			53,61,78,063		68,10,24,241
VI. Tax expense					
– Current Tax		11,93,01,219		11,39,09,638	
– Tax adjustment of previous year		<u>13,56,937</u>		<u>75,96,902</u>	
		12,06,58,156		12,15,06,540	
– Deferred Tax		<u>1,73,21,759</u>		<u>74,37,885</u>	
		13,79,79,915		12,89,44,425	
– Tax Expense of Joint Venture		<u>1,13,93,787</u>	14,93,73,702	<u>60,00,000</u>	13,49,44,425
Profit after tax before share of Minority			38,68,04,361		54,60,79,816
Interests for the year (V - VI)			8,46,52,893		13,65,05,022
Less: Minority Interests			<u>30,21,51,468</u>		<u>40,95,74,794</u>
Profit for the year			30,21,51,468		40,95,74,794
Earnings per share (Face value of Rs 10/- each)					
(a) Basic			37.92		51.41
(a) Diluted			37.92		51.41

Significant Accounting Policies

1

The accompanying Notes form an integral part of the Financial Statements

As per our Report of even date

For V. Singhi & Associates

Chartered Accountants

Registration no. 311017E

(V. K. SINGHI)

Partner

Membership no. 50051

PRAKASH AGARWAL

K.K. GANERIWALA

U. CHAKRAVARTY

Managing Director

Executive Director

General Manager (Finance)
& Company Secretary

Place : Kolkata

Date : 21st May 2014

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

1 SIGNIFICANT ACCOUNTING POLICIES

a) ACCOUNTING CONVENTION

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

b) FIXED ASSETS AND DEPRECIATION

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

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

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

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

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

Tangible Fixed Assets of Subsidiary Companies are depreciated using straight-line method over their expected useful lives as per prevalent policies of the respective Companies.

The excess of the cost to the Company of its investments in its subsidiaries over its share of Capital and Reserves of the Subsidiaries are treated as Goodwill. The Goodwill is disclosed as an asset in the consolidated Balance Sheet.

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

c) IMPAIRMENT OF ASSETS

The Company identifies impairable assets at the year end in accordance with the guiding principles of Accounting Standard – 28 issued by The Institute of Chartered Accountants of India, for the purposes of arriving at impairment loss thereon, being the difference in the book value and the recoverable value of the relevant assets. Impairment loss, when crystallizes, are charged against revenues for the year.

d) LEASING

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

Leases of assets under which all the risks and benefits of ownership are effectively retained by the Lessor are classified as Operating Leases. Rentals under operating leases are charged to the Statement of Profit and Loss on a straight line basis over the lease term.

e) INVESTMENTS

Non Current Investments are stated at cost unless there is a permanent diminution in value.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH, 2014**

SIGNIFICANT ACCOUNTING POLICIES (*contd.*)

f) INVENTORIES

Finished Goods and Components are valued at cost (NET of CENVAT Credit) or net realizable value, whichever is lower. Other inventories are valued at cost or net realizable value, whichever is lower.

Cost is determined on weighted average basis and includes expenditure incurred in the normal course of business in bringing stocks and finished goods to their location and condition including appropriate overheads wherever applicable.

Cost of own manufactured components is determined by considering raw material cost and proportionate share of labour and overheads.

Cost of Work-in-progress is determined by considering raw material cost plus labour and overheads apportioned on an estimated basis depending upon the stages of completion, except in case of a subsidiary company where it is valued at cost or realizable value whichever is lower.

g) RESEARCH AND DEVELOPMENT EXPENSES

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

h) FOREIGN CURRENCY TRANSACTIONS

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

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

Non-monetary foreign currency items are carried at cost.

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

i) RETIREMENT BENEFITS

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

Accrued liability in respect of retirement gratuities are actuarially ascertained at the year end as per the requirements of Accounting Standard – 15 (Revised) on Employee Benefits. The Company has created a Gratuity Fund under Group Gratuity Scheme of L.I.C.I. under which yearly premium is being paid to take care of current as well as past liability. The annual premium is charged to the Financial Statements.

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

A Subsidiary Company operates a defined contribution pension scheme and the pension charge represents the amount payable by the Company to the fund in respect of the year.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

SIGNIFICANT ACCOUNTING POLICIES (*contd.*)

j) GOVERNMENT GRANTS

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

k) INCOME

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

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

l) FINANCIAL DERIVATIVES AND HEDGING TRANSACTIONS

Financial derivatives and hedging contracts are accounted on the date of their settlement and realized gain/incurred loss in respect of contracts is recognized in the Statement of Profit and Loss along with the underlying transactions.

m) BORROWING COST

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

n) TAXES ON INCOME

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the applicable Income Tax Act. Deferred tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is calculated at current statutory income tax rates as applicable and is recognized on timing difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred tax assets subject to consideration to prudence are recognized and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

o) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the Financial Statements.

Cost of Product Warranties including provisions are included under the head "Miscellaneous Expenses" which includes cost of raw materials and components for free replacement of spares and other overheads.

p) PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statements relate to WPIL limited (the Company), its Subsidiaries and Joint Ventures (the Group). The Consolidated Financial Statements are in conformity with Accounting Standard 21 on

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)

SIGNIFICANT ACCOUNTING POLICIES (contd.)

“Consolidated Financial Statements” and Accounting Standard – 27 on “Financial Reporting of Interests in Joint Ventures” as notified under the Companies (Accounting Standards) Rules, 2006 and are prepared as set out below:-

- (i) The Financial Statements of the Company and its Subsidiaries are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after adjustments/elimination of inter-company balances, transactions including unrealized profit etc.
- (ii) The Consolidated Financial Statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances in all material respect and are presented to the extent practicable and possible, in the same manner as the Company’s separate Financial Statements.
- (iii) The difference between the costs of investments in the Subsidiaries, over its portion of equity at the time of acquisition of shares is recognized in the Consolidated Financial Statements as Goodwill or Capital Reserve as the case maybe.
- (iv) The translation of the foreign currencies into Indian Rupees (reporting currency) is performed for equity in the foreign subsidiaries and joint venture, assets and liabilities using the closing exchange rate at the Balance Sheet date and for revenues, costs and expenses using average exchange rates prevailing during the period. The resultant exchange difference arising out of such transactions is recognized as part of equity (Foreign Exchange Translation Reserve Account) by the Company until the disposal of investment.
- (v) Interest in Joint Ventures is reported using proportionate consolidation method in the Consolidated Financial Statements. A separate line item is added in the Consolidated Financial Statements for proportionate share of assets, liabilities, income and expenses.

2 SHARE CAPITAL

(a) Authorised

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

(b) Issued, Subscribed and Paid Up

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

	31st March, 2014	31st March, 2013
	Rs.	Rs.
	9,86,00,000	9,86,00,000
	14,00,000	14,00,000
	10,00,00,000	10,00,00,000
	7,96,70,800	7,96,70,800

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)

	31st March, 2014		31st March, 2013	
	Rs.	Rs.	Rs.	Rs.
3 RESERVES AND SURPLUS				
a) Capital Reserve on Re-issue of forfeited shares As per last Financial Statement		3,500		3,500
b) Capital Redemption Reserve As per last Financial Statement		14,00,000		14,00,000
c) Capital Reserve on Consolidation As per last Financial Statement	—		2,07,34,075	
Less: Adjusted on consolidation during the year	—	—	2,07,34,075	—
d) Revaluation Reserve As per last Financial Statement	53,19,230		55,39,498	
Less: Transferred to Statement of Profit and Loss	2,19,974	50,99,256	2,20,268	53,19,230
e) General Reserve As per last Financial Statement	50,00,00,000		34,37,15,302	
Add : Transfer from Surplus	15,46,64,986	65,46,64,986	15,62,84,698	50,00,00,000
f) Surplus As per last Financial Statement	49,96,62,535		26,50,14,609	
Add: Transfer from Revaluation Reserve	—		—	
Add: Profit for the year as per Statement of Profit and Loss (including share of Joint Ventures of Rs. 2,37,71,101)	30,21,51,468		40,95,74,794	
Less: Share of Joint Ventures	80,18,14,002		67,45,89,403	
	7,05,87,022		—	
	73,12,26,980		67,45,89,403	
Less: Appropriations				
– Transfer to General Reserve	15,46,64,986		15,62,84,698	
– Proposed Dividend	1,59,34,160		1,59,34,160	
– Tax on Dividend	27,08,011	55,79,19,823	27,08,010	49,96,62,535
g) Foreign Exchange Translation Reserve As per last Financial Statement	(95,75,160)		42,85,039	
Add: For the year	48,84,697	(46,90,463)	(1,38,60,198)	(95,75,160)
Share of Joint Ventures		6,82,91,986		2,86,78,986
		128,26,89,088		102,54,89,091

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH, 2014 (contd.)**

	31st March, 2014		31st March, 2013	
	Rs.	Rs.	Rs.	Rs.
4 LONG TERM BORROWINGS				
Secured :				
Term Loans:				
a) From Banks	87,55,14,216		76,04,49,744	
Less: Repayable within one year	29,86,43,221	57,68,70,994	9,13,43,096	66,91,06,648
b) From Others	12,32,56,448		31,87,04,175	
Less: Repayable within one year	5,81,50,697	6,51,05,750	20,26,73,479	11,60,30,696
Unsecured :				
– From Corporate Bodies		15,15,00,000		20,00,00,000
Share of Joint Ventures		—		8,83,930
		79,34,76,745		98,60,21,274
5 DEFERRED TAX LIABILITIES (Net)				
a) Deferred Tax Liabilities :				
– Depreciation on Fixed Assets		3,74,83,992		4,21,68,338
b) Deferred Tax Assets :				
– Employees Benefits	(32,04,671)		24,37,001	
– Others	(25,08,845)	(57,13,516)	2,49,22,778	2,73,59,779
Share of Joint Ventures		(25,59,878)		(19,29,586)
		2,92,10,598		1,28,78,973
6 LONG TERM PROVISIONS				
– Leave Encashment		89,93,933		70,46,757
– Gratuity		2,31,189		3,04,211
		92,25,122		73,50,968

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)

	31st March, 2014		31st March, 2013	
	Rs.	Rs.	Rs.	Rs.
7 SHORT TERM BORROWINGS				
LOANS REPAYABLE ON DEMAND				
(a) Secured				
Cash Credit from Banks		73,54,13,057		48,62,07,758
(b) Unsecured				
Short Term Loans from :				
- Banks	—		9,26,60,495	
- Others	6,12,83,158	6,12,83,158	4,96,45,994	14,23,06,489
		79,66,96,215		62,85,14,247
8 TRADE PAYABLES				
a) Acceptances		12,20,67,064		9,01,07,133
b) Sundry Creditors		90,58,89,697		79,13,72,806
Share of Joint Ventures		55,95,254		1,20,40,918
		103,35,52,014		89,35,20,857
9 OTHER CURRENT LIABILITIES				
a) Current maturities of Long Term Borrowings		35,67,93,918		29,40,16,575
b) Advance from Customers		17,97,10,149		42,19,24,623
c) Interest accrued but not due on loans		43,61,527		60,00,067
d) Unclaimed Dividends		9,47,149		7,44,369
e) Other Payables				
– Statutory Liabilities	7,71,28,894		5,77,02,013	
– Deposits	15,10,189		10,84,721	
– Others	10,72,78,360	18,59,17,442	7,76,18,833	13,64,05,567
Share of Joint Ventures		5,63,14,385		2,13,46,626
		78,40,44,572		88,04,37,827
10 SHORT TERM PROVISIONS				
a) For Income Tax (Net of Advance Tax paid)		14,49,255		—
b) For Proposed Dividend		1,59,34,160		1,59,34,160
c) For Tax on Proposed Dividend		16,428		27,08,010
d) For Leave Encashment		63,59,153		62,76,972
e) For Warranties		1,08,11,000		91,25,000
f) For Others		13,17,605		12,00,131
Share of Joint Ventures		1,32,76,811		93,31,653
		4,91,64,411		4,45,75,926

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH, 2014 (contd.)**

11 FIXED ASSETS

	GROSS BLOCK					DEPRECIATION					NET BLOCK										
Cost/Valuation As at 31st March 2013	Rs.	Additions on Consolidation	Rs.	Additions during the year	Rs.	Disposals/ Adjustments during the year	Rs.	As at 31st March, 2014	Rs.	Upto 31st March, 2013	On Consolidation	Rs.	For the year	Rs.	Deductions/ Adjustments during the year	Rs.	Foreign Exchange Translation reserve	Rs.	Upto 31st March, 2014	As at 31st March, 2014	As at 31st March, 2013
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
TANGIBLE ASSETS																					
Land : Freehold	43,66,19,392	—	6,02,34,158	6,39,900	49,62,19,650	—	34,62,491	—	24,86,727	—	—	—	—	—	—	(6,55,05,685)	5,95,56,467	—	55,57,70,117	43,41,32,665	—
Leasehold	61,23,429	—	—	—	61,23,429	—	1,05,993	—	21,73,584	—	—	—	—	—	—	47	22,79,624	—	38,43,805	3,9,49,845	—
Buildings	13,87,21,357	—	2,07,382	—	13,89,28,739	—	43,47,594	—	5,37,43,244	—	—	—	—	—	—	—	5,80,90,838	—	8,08,37,901	8,49,78,113	—
Plant and Machinery	75,20,89,508	—	8,47,44,666	24,09,818	83,44,24,356	—	4,23,12,066	—	45,08,54,368	—	—	—	—	—	—	6,26,403	(2,48,42,938)	46,76,97,093	36,67,27,263	30,12,35,141	—
Factory Equipment	30,96,312	—	—	—	30,96,312	—	50,589	—	29,93,902	—	—	—	—	—	—	—	30,44,491	—	51,821	1,02,410	—
Patterns and Moulds	12,73,78,866	—	—	—	12,73,78,866	—	6,74,22,984	—	6,74,22,984	—	—	—	—	—	—	16,55,515	7,47,35,276	—	5,26,43,590	5,99,55,882	—
Electrical Installation	1,99,40,825	—	90,545	—	2,00,31,370	—	8,40,622	—	64,51,002	—	—	—	—	—	—	—	72,91,624	—	1,27,39,746	1,34,89,823	—
Furniture and Fittings	7,39,36,256	—	13,15,591	97,680	7,51,54,167	—	44,72,783	—	4,67,70,225	—	—	—	—	—	—	(20,44,069)	4,91,01,259	—	2,60,52,909	2,71,66,031	—
Office Equipment	83,52,282	—	8,50,684	21,372	91,81,594	—	5,44,489	—	64,09,775	—	—	—	—	—	—	19,069	4,69,173	74,04,368	17,77,227	19,42,507	—
Computers																					—
- Owned	32,41,572	—	12,06,385	—	44,47,958	—	2,71,756	—	25,91,115	—	—	—	—	—	—	(540)	28,62,331	—	15,85,627	6,50,457	—
- Leased	26,12,261	—	—	—	26,12,261	—	17,538	—	25,94,723	—	—	—	—	—	—	—	26,12,261	—	—	17,538	—
Motor Vehicles	3,57,75,890	—	1,43,55,680	13,74,383	4,87,57,187	—	51,43,720	—	1,92,99,064	—	—	—	—	—	—	85,894	2,34,29,543	—	2,53,27,645	1,64,76,826	—
Total Tangible Assets	160,78,87,950	—	16,30,05,092	45,43,153	176,63,49,889	—	6,72,26,418	—	66,37,90,712	—	—	—	—	—	—	(9,01,82,603)	63,89,92,240	—	112,73,57,649	94,40,97,240	—
INTANGIBLE ASSETS																					
Goodwill	36,64,20,269	—	—	1,89,19,430	34,75,00,839	—	—	—	(5,57,50,065)	—	—	—	—	—	—	—	(5,57,50,065)	—	40,32,50,904	42,21,70,334	—
Software																					—
- Owned	23,13,367	—	1,10,936	—	24,24,303	—	3,32,551	—	17,79,270	—	—	—	—	—	—	(161)	21,11,661	—	3,12,642	5,34,096	—
- Leased	9,87,200	—	—	—	9,87,200	—	1,40,031	—	7,70,163	—	—	—	—	—	—	—	9,10,194	—	77,006	2,17,037	—
Formation Expenses	87,379	—	—	—	87,379	—	—	—	(5,607)	—	—	—	—	—	—	—	1,001	(4,606)	91,985	92,986	—
Total Intangible Assets	36,98,08,215	—	1,10,936	1,89,19,430	35,09,99,721	—	4,72,583	—	(5,32,06,238)	—	—	—	—	—	—	—	840	(5,27,32,816)	40,37,32,537	42,30,14,453	—
Grand Total	197,76,96,165	—	16,31,16,028	2,34,62,583	211,73,49,610	—	6,76,99,000	—	61,05,84,474	—	—	—	—	—	—	(9,01,81,763)	58,62,59,424	—	153,10,90,186	136,71,11,693	—
Previous Year																					
- Tangible Assets	1,25,83,20,848	24,66,10,236	11,18,73,728	89,16,862	160,78,87,950	—	99,878,796	6,71,37,745	11,72,206	51,15,37,268	99,878,796	6,71,37,745	11,72,206	(1,35,90,893)	66,37,90,712	—	—	—	94,40,97,240	74,67,83,580	—
- Intangible Assets	(5,30,60,555)	44,36,02,845	—	2,07,34,075	36,98,08,215	—	—	4,59,440	—	(5,36,60,071)	—	—	—	(5,607)	(5,32,06,238)	—	—	—	42,30,14,453	5,99,516	—
Total	120,52,60,293	69,02,13,081	11,18,73,728	2,96,50,937	197,76,96,165	—	99,878,796	6,75,97,185	11,72,206	45,78,77,197	99,878,796	6,75,97,185	11,72,206	(1,35,96,500)	61,05,84,474	—	—	—	136,71,11,693	74,73,83,096	—

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)

				31st March, 2014		31st March, 2013	
				Rs.	Rs.	Rs.	Rs.
12 NON - CURRENT INVESTMENTS							
- Long Term (at cost)							
Unquoted							
Other Investments							
Nos.	Currency	Face Value	Description				
—	INR		Government Securities				
			7 Year Post Office National	23,000		23,000	
			Savings Certificate				
			Less : Provisions made	23,000	—	23,000	—
1	INR	7000	(5% Non-Redeemable Debenture Stock) Woodland Hospital & Medical Research Centre Limited	7,000			7,000
9	INR	1000	(6 1/2% Non-Redeemable Debenture Stock) Bengal Chamber of Commerce and Industry	9,000			9,000
				16,000			16,000
13 LONG TERM LOANS AND ADVANCES							
- UNSECURED							
(Considered good)							
Security Deposits :							
- Earnest Money Deposit				1,57,00,202		1,10,57,727	
- Others				7,03,698	1,64,03,900	7,90,046	1,18,47,773
Other Advances					4,13,53,000		4,15,59,195
Share of Joint Ventures					—		5,55,154
					5,77,56,900		5,39,62,122
14 INVENTORIES (at lower of cost or net realisable value)							
a) Raw Materials and Components				29,28,03,137		41,90,32,409	
b) Work-in-Progress				33,92,00,800		27,31,24,280	
c) Finished Goods				10,69,93,080		3,31,67,359	
d) Stores and Spare Parts				97,67,437		89,58,620	
Share of Joint Ventures				94,46,055		36,73,111	
				75,82,10,509		73,79,55,779	

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)

	31st March, 2014		31st March, 2013	
	Rs.	Rs.	Rs.	Rs.
15 Trade Receivables - Unsecured				
(Considered good)				
a) Debts outstanding for a period exceeding six months		45,80,11,099		31,50,67,099
b) Other Debts		186,36,15,066		182,59,50,047
Share of Joint Ventures		4,45,99,481		7,28,81,080
		<u>236,62,25,645</u>		<u>221,38,98,226</u>
16 CASH AND CASH EQUIVALENTS				
a) Balance with Banks :				
- On Current Account		12,33,60,752		9,41,21,116
b) Cash - in - hand		15,41,034		29,26,676
c) Other Bank balances				
- On Unclaimed Dividend Account	9,47,149		7,44,369	
- On Bank Deposits with less than 12 months maturity	51,44,384	60,91,533	50,00,000	57,44,369
Share of Joint Ventures		5,24,78,561		2,20,61,160
		<u>18,34,71,881</u>		<u>12,48,53,321</u>
17 SHORT TERM LOANS AND ADVANCES - UNSECURED				
(Considered good)				
a) Others :				
- Balance with Central Excise Authority	7,79,03,976		6,94,24,062	
- Balance with Sales Tax Authority	9,06,34,323		5,22,84,341	
- Others	5,11,42,445	21,96,80,744	2,98,54,743	15,15,63,146
b) Advance payment of Income Tax (Net of Provision)		—		6,08,68,164
Share of Joint Ventures		3,53,82,067		6,07,654
		<u>25,50,62,811</u>		<u>21,30,38,964</u>
18 OTHER CURRENT ASSETS				
- Interest Receivables		7,48,561		8,50,353
- Others		4,72,08,307		8,49,19,525
Share of Joint Ventures		—		1,16,88,503
		<u>4,79,56,869</u>		<u>9,74,58,381</u>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)

Year ended		Year ended	
31st March, 2014		31st March, 2013	
Rs.	Rs.	Rs.	Rs.

19 REVENUE FROM OPERATIONS

a) Sale of Products				
- Pumps	133,34,07,749		94,49,45,023	
- Spare Part of Pumps	46,36,11,111		62,16,09,849	
- Castings	97,93,31,925		103,51,89,259	
- Accessories of Pumps	102,22,70,312		111,42,16,900	
- Others	116,94,93,047	496,81,14,144	123,58,31,284	495,17,92,315
b) Sale of Services		6,25,39,710		7,13,29,207
c) Other Operating Revenues				
- Duty Drawback		3,21,12,081		7,33,259
- Others		3,36,988		—
Share of Joint Ventures		14,22,30,208		15,98,02,716
		520,53,33,131		518,36,57,497

20 OTHER INCOME

a) Interest Income (Gross)	77,86,613		73,06,917	
b) Net Gain/(loss) on Foreign Currency translation and transaction	28,02,493		(1,20,00,397)	
c) Claims and Compensations received	29,20,782		—	
d) Sundry Income	20,11,389		23,94,08,282	
e) Liability no longer required, written back	2,75,620		21,93,196	
f) Government Grant amortised	—		3,42,716	
g) Profit on sale of fixed assets	71,403		—	
Share of Joint Ventures		19,07,967		61,54,762
		1,77,76,266		24,34,05,476

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)

Year ended		Year ended	
31st March, 2014		31st March, 2013	
Rs.	Rs.	Rs.	Rs.

21 COST OF RAW MATERIALS AND COMPONENTS CONSUMED

a) Pig Iron/Ferrous Scrap	2,41,86,681	3,38,01,650
b) Cables & Winding Wires	2,25,79,030	1,90,22,085
c) Pipes & Tubes	3,15,76,615	7,89,95,129
d) Steel Shafting	12,35,13,113	9,64,96,205
e) Bronze & other metal ingots	1,69,00,214	1,80,79,091
f) Motors, Engines & Starters	39,40,45,146	29,78,03,627
g) Valves	2,89,78,731	7,86,91,311
h) C.I. Castings	5,64,52,373	8,10,28,944
i) M.S. Sheets	13,34,34,145	12,44,92,838
j) Steel/Alloy Steel Castings	13,27,54,086	19,11,25,134
k) Spare & Others	171,23,10,079	191,47,59,712
Share of Joint Ventures	5,00,70,015	3,23,39,541
	272,68,00,228	296,66,35,267

22 CHANGE IN INVENTORIES OF FINISHED GOODS & WORK IN PROGRESS

Opening Stock :		
- Work in Progress	27,31,24,280	15,95,65,679
- Finished Goods	3,31,67,359	1,16,82,556
- On Consolidation	—	93,16,813
	30,62,91,639	18,05,65,048
Closing Stock :		
- Work in Progress	33,92,00,800	27,31,24,280
- Finished Goods	10,69,93,080	3,31,67,359
	44,61,93,879	30,62,91,639
Share of Joint Ventures	(57,72,945)	8,62,072
	(14,56,75,185)	(12,48,64,519)

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH, 2014 (contd.)**

Year ended		Year ended	
31st March, 2014		31st March, 2013	
Rs.	Rs.	Rs.	Rs.

23 EMPLOYEE BENEFIT EXPENSES

a) Salaries and Wages	69,82,04,223	67,07,87,793
b) Contribution to Provident, Pension and Other Funds	5,38,98,726	5,92,01,130
c) Staff Welfare Expense	2,40,45,472	2,17,07,537
d) Exceptional redundancy expenses	1,96,48,648	—
Share of Joint Ventures	2,23,67,155	2,45,87,299
	81,81,64,224	77,62,83,759

24 FINANCE COST

a) Interest Expense	17,56,07,554	13,98,59,333
b) Other Finance costs	3,13,83,599	2,60,08,060
c) Applicable (Gain)/Loss on Foreign currency translation and transactions	2,23,98,125	2,77,45,836
Share of Joint Ventures	7,35,043	2,23,200
	23,01,24,321	19,38,36,429

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)

Year ended		Year ended	
31st March, 2014		31st March, 2013	
Rs.	Rs.	Rs.	Rs.

25 OTHER EXPENSES

Consumption of Stores and Spare Parts	6,80,61,246		7,04,35,085
Excise Duty	53,11,647		77,71,238
Power and Fuel	13,85,64,588		10,82,90,284
Erection Expenses	10,79,16,154		9,35,56,212
Rent	2,23,10,117		3,59,06,651
Rates & Taxes	3,91,83,470		4,25,03,059
Postage & Telephone	1,10,26,699		1,18,28,513
Repairs to Machinery	4,18,20,998		3,72,29,235
Repairs to Buildings	1,05,03,203		50,85,127
Repairs to Others	97,04,349		92,73,171
Insurance	2,40,79,744		2,07,53,736
Travelling Expenses	4,08,02,834		3,91,45,391
Loss on sale of Fixed Assets	—		14,04,596
Professional & Consultancy Fees	6,60,83,312		6,37,26,375
Carraige Outward	2,57,48,351		1,38,31,773
Advertisement	74,35,333		24,07,949
Claims and Compensations etc.	1,89,91,204		3,87,506
Bad Debts Written Off	1,31,34,665		78,04,757
Dealer Discount	1,95,10,518		1,55,95,034
Commission to other Selling Agents	7,65,65,748		3,75,19,069
Service Charges	44,87,744		9,96,763
Directors Fees	60,000		60,000
Commission to Directors	2,50,000		4,00,000
Auditors' Remuneration			
- As Auditor	5,60,000	560,000	
- For Other Services	1,75,001	252,504	
- For Reimbursement of Expenses	45,000	49,440	8,61,944
Miscellaneous Expenses	11,75,90,679		10,98,54,879
Share of Joint Ventures	2,52,99,349		4,21,27,626
	89,52,21,953		77,87,55,973

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)

26 OTHER INFORMATION

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

Sl.	Name of the Company	Country of Incorporation	% of Holding either directly/ indirectly or through subsidiary		Reporting period
			2014	2013	
A)	SUBSIDIARIES				
	i) WPIL International Pte Limited	Singapore	51	51	12 months ended 31st March
	ii) Mathers Foundry Limited	United Kingdom	51	51	12 months ended 31st March
	iii) Sterling Pumps Pty Limited	Australia	53	53	12 months ended 31st March
	iv) Mody Industries (F.C) Private Limited	India	100	—	12 months ended 31st March
	v) WPIL SA Holdings Pty Limited	South Africa	51	—	12 months ended 31st March
	vi) APE Pumps Pty Limited	South Africa	51	—	12 months ended 31st March
	vii) Mather & Platt (SA) Pvt Limited	South Africa	51	—	12 months ended 31st March
	viii) PSV Services Pty Limited(*)	South Africa	—	—	12 months ended 31st March
	ix) PSV Properties 2 Pty Limited(*)	South Africa	—	—	12 months ended 31st March
	x) PSV Zambia Limited	Zambia	51	—	12 months ended 31st March
	xi) Global Pump Services (FZE)	United Arab Emirates	51	—	12 months ended 31st March
B)	JOINT VENTURES				
	i) Clyde Pump India Private Limited	India	40	40	12 months ended 31st March
	ii) WPIL (Thailand) Co. Limited	Thailand	25	25	12 months ended 31st December

(*) Restructured/merged into APE Pumps Pty Limited with effect from 01.01.2013

The goodwill on consolidation has been accounted for in line with the relevant accounting policy set out in Note No – 1 (p).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)

26 OTHER INFORMATION (contd.)

	31st March	
	2014 Rs.	2013 Rs.
b) Sale of Products is stated Net of returns in the Financial Statement	—	10,60,816
c) Estimated amount of contracts remaining unexecuted on Capital Account and not provided for	4,38,484	1,55,14,956
d) Claims against the Company not acknowledged as debts	17,63,174	17,16,402
e) CONTINGENT LIABILITIES & PROVISIONS		
(i) Contingent Liabilities not provided for in the financial statements in respect of the following:		
	2014	2013
– Sales Tax matter under dispute	1,78,56,565	2,53,19,271
– Income Tax matter under appeal	28,98,918	—
– Excise Duty matters under dispute	1,92,908	1,92,908
– Bank Guarantee outstanding	59,30,97,125	50,60,95,210
– Corporate Guarantee outstanding	112,44,61,800	101,34,86,600
(ii) Loans were obtained by our Singapore Subsidiary for acquisition of the UK and the South African Subsidiaries and for their working capital requirements. Such loans are secured by Corporate Guarantee of Holding Company and the said Subsidiaries, an exclusive charge over the said Subsidiary's entire assets and pledge of their 100% shares.		
(iii) The Subsidiary at Singapore has arranged for Bank Guarantees/Letters of Credit aggregating to Rs. 11,65,85,792 (2013 - NIL) from a Bank in Singapore for its and/or its South African Subsidiaries' business purposes		
(iv) One of our South African Subsidiaries has availed of a medium term loan from a Bank in South Africa for the acquisition of a Landed Property which is secured against the same and the Suretyship of other South African Subsidiaries.		
(v) Another subsidiary has Bank Guarantees outstanding as on 31st March, 2014 amounting to Rs. 1,20,39,028/- (2013 - Rs. 83,92,428/-) arranged from its Banker and the same is against 100% cash margin in the form of Fixed Deposits.		
(vi) The UK Subsidiary's Bank had issued a Performance Bond in the normal course of its business to its Customer in respect of performance of a contract and such bond will expire on 30.09.2014		
(vii) A retrenched employee of a Subsidiary has filed a case against it in the Industrial Labour Court claiming Rs. 12,00,000/- approx towards retrenchment compensation. The case is pending and the management is of the view that such claim is not valid and will not be allowed by the Court, hence, no provision has been made in the Financial Statements.		
f) Accrued liability on account of Gratuity payable to the employees of the Company on retirement at future dates as per actuarial valuation as at 31st March, 2014 amounts to Rs. 2,41,63,431/- (2013 - Rs. 2,30,97,562/-). A total sum of Rs. 5,16,03,560/- (including Rs. 2,65,000/- during the current year) has been charged in the Financial Statements and paid to LIC by way of premium under Group Gratuity Scheme for its employees to cover current as well as past liability.		
g) Warranty costs are accrued at the time the products are sold. Based on past experience, the provision is discharged over the contractual warranty period from the date of sale. During the year, Rs. 94,11,131/- have been incurred against earlier provisions and Rs. 1,08,11,000/- have been provided.		
h) Research and Development Expenses relating to revenue nature aggregating to Rs. 77.38 lacs (2013 - Rs. 74.32 lacs) have been charged to respective heads of accounts in the Statement of Profit and Loss. There was no expenditure during the year of capital nature (2013 - Rs. 3.78 lacs).		

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)

26 OTHER INFORMATION (contd.)

i) **Earnings Per Share**

Net Profit for the year (Rs.)
Face Value per Share (Rs.)
Weighted Average Number of Shares
Basic and Diluted Earnings Per Share (Rs.)

31st March	
2014	2013
30,21,51,468	40,95,74,794
10	10
79,67,080	79,67,080
37.92	51.41

j) **Lease Commitments**

Mathers Foundry Limited

i) Lease payments recognized in the Statement of Profit and Loss for the year

ii) Minimum lease payments under the agreements are as follows:-

a) Not later than one year

b) Later than one year but not later than 5 years

31st March	
2014	2013
Rs.	Rs.
73,35,420	51,28,363
18,39,651	70,29,544
41,88,754	26,62,591

South African Subsidiaries

i) Minimum lease payments under the agreements are as follows:-

a) Not later than one year

b) Later than one year but not later than 5 years

32,85,550	2,00,743
33,13,253	65,45,787

k) **Related Party Transactions**

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

A) List of Related Parties

i) Key Management Personnel and their relatives

- Mr. P. Agarwal	: Managing Director
- Mr. V.N. Agarwal	: Director, Father of Mr. P. Agarwal
- Mr. K.K. Ganeriwala	: Executive Director
- Mr. Anton R. Merry	: Wholtime Director of Sterling Pump Pty Ltd
- Mr. Peter Robinson	: Executive Director of APE Pumps Pty Ltd
- Mr. S.R. Shah	: Executive Director of Mody Industries (F.C) Pvt Ltd (ceased to a Director with effect from 30.06.2013)

ii) Companies over which key management personnel or relatives are able to exercise control/significant influence

- Bengal Steel Industries Limited (Bengal Steel)
- Hindusthan Udyog Limited (HUL)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)

B Disclosure of transactions with Related parties during the year.

	Companies over which control/ significant influence of key management personnel exists				Key management personnel of the Company	
	Bengal Steel		HUL			
	2014	2013	2014	2013	2014	2013
Sale of Products	—	—	49,68,815	2,63,36,892	—	—
Purchase of Goods	—	—	20,59,13,449	26,29,79,957	—	—
Dividend Paid	—	—	77,23,318	77,23,318	3,92,884	3,92,884
Rent Paid	48,00,000	48,00,000	42,00,000	30,80,000	—	—
Interest Paid	—	—	17,18,836	21,41,096	—	—
Amenities Paid	—	—	12,20,800	14,75,514	—	—
Electricity Charges Paid	3,38,281	22,73,050	—	—	—	—
Sale of Fixed Assets	—	—	—	56,68,847	—	—
Purchase of Fixed Assets	—	—	1,15,88,327	—	—	—
Remuneration, Commission & Sitting Fees						
- Mr. P. Agarwal	—	—	—	—	46,88,541	43,58,769
- Mr. K. K. Ganeriwala	—	—	—	—	34,78,906	29,70,122
- Mr. V. N. Agarwal	—	—	—	—	1,08,000	1,08,000
As at 31st March Trade Receivable	—	—	1,07,66,777	88,14,781	—	—
Trade Payable	—	—	13,47,45,001	10,90,71,385	—	—
Other Payable	32,75,520	1,93,019	1,51,76,215	75,265	—	—
Personal Guarantee issued (by Mr. P. Agarwal)	—	—	—	—	30,00,00,000	30,00,00,000

- l) The UK Subsidiary operates a defined contribution pension scheme in respect of the employees of the Company. The scheme and its assets are held by independent managers. The pension contributions cost to the Company in the year amounted to Rs. 67,76,907 (2013 - Rs. 67,15,640). The pension contributions outstanding as at 31st March 2014 amounted to Rs. 7,71,560 (2013 - Rs. 7,33,690)

- m) Disclosure required under Accounting Standard (AS) - 15 (Revised) are as follows : (Rupees in Lacs)

	Year ended 31st March, 2014		Year ended 31st March, 2013	
	Gratuity	Leave Encash- ment	Gratuity	Leave Encash- ment
A) Components of Employer Expenses :-				
1. Current Service Cost	19.28	2.19	18.08	2.95
2. Interest Cost	20.79	7.91	17.56	5.74
3. Expected Return on Plan Assets	(7.36)	—	(6.35)	—
4. Actuarial (Gain)/Loss	(25.50)	8.36	10.88	18.43
5. Expenses recognized in the Statement of Profit and Loss	7.21	18.46	40.17	27.12
B) Net (Assets)/Liability recognised in the Balance Sheet as at 31st March :-				
1. Present value of obligation as at 31st March	241.63	94.28	230.98	87.87
2. Fair value of Plan Assets as at 31st March	(76.99)	—	(84.04)	—
3. (Assets)/Liability recognized in the Balance Sheet	164.64	94.28	146.94	87.87

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)

m) Disclosure required under Accounting Standard (AS) - 15 (Revised) are as follows : (contd.)

(Rupees in Lacs)

	Year ended 31st March, 2014		Year ended 31st March, 2013	
	Gratuity	Leave Encash- ment	Gratuity	Leave Encash- ment
C) Change in the Defined Benefit Obligation (DBO) during the year :-				
1. Present value of obligation at the beginning of the year	230.98	87.87	219.48	71.70
2. Current Service Cost	19.28	2.19	18.08	2.95
3. Interest Cost	20.79	7.91	17.56	5.74
4. Actuarial (Gain)/Loss	(25.53)	8.36	10.65	18.43
5. Benefits paid	(3.89)	(12.05)	(34.79)	(10.95)
6. Present value of obligation at the end of the year	241.63	94.28	230.98	87.87
D) Change in the Fair Value of Plan Assets :-				
1. Plan Assets at the beginning of the year	84.04	—	73.77	—
2. Actual return on Plan Assets	7.36	—	6.35	—
3. Actuarial gain/(loss) on plan assets	(0.53)	—	0.23	—
4. Actual Company's contribution	5.77	12.04	39.49	10.95
5. Benefits paid	(19.65)	(12.04)	(35.80)	(10.95)
6. Fair value of Plan Assets at the end of the year	76.99	—	84.04	—
E) Actuarial assumptions :-				
1. Discount rate (p.a.)	9(8)%	9.00%	8(8.5)%	8.00%
2. Expected rate of return (p.a.)	8.75%	N.A.	9.15%	N.A.
3. Salary escalation (p.a.)	5.00%	5.00%	5.00%	5.00%

F) Experience adjustment on account of actuarial assumption of Gratuity :

1. Defined Benefit Obligation as at 31st March
2. Plan Asset as at 31st March
3. Surplus/(Deficit)
4. Experience adjustment on Plan Assets
5. Experience adjustment on Plan Liabilities

2013-14	2012-13	2011-12
241.63	230.98	219.48
76.99	84.04	12.50
(164.64)	(146.94)	(206.98)
(0.52)	0.23	1.16
(10.40)	12.61	3.45

(*) Figures in brackets indicate rates applicable in the Company's Subsidiary

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)**

n) Segment Reporting :

The Group is primarily engaged in the business of design, development, manufacture, marketing, installation and servicing of vertical and horizontal pumps of various sizes required for lift irrigation / major irrigation schemes, thermal / nuclear power plants etc., and accordingly there are no business segment. However pursuant to recent acquisitions across various geographical locations with different political and economic environment, risks and rewards etc, the group after review has identified geographical segments as primary reporting format. The geographical segments has been identified as India and Outside India.

	2014	3 1st March
	Rs.	Rs.
Segment Revenue		
– India	263,02,97,681	290,20,46,818
– Outside India	249,79,94,949	243,70,01,249
	512,82,92,630	533,90,48,067
Segment Results (Profit before Tax)		
– India	34,68,14,787	34,89,93,123
– Outside India	18,93,63,275	33,20,31,118
	53,61,78,063	68,10,24,241
Less: Other unallocated expenditure net of unallocated income	—	—
Profit before Taxation and Minority Interest	53,61,78,063	68,10,24,241
Less: Taxation Charge		
Current Tax	13,20,51,944	12,75,06,541
Deferred Tax	1,73,21,759	74,37,885
Less: Minority Interests	8,46,52,893	13,65,05,022
Profit after Taxation and Minority Interest	30,21,51,468	40,95,74,793
Segment Assets		
– India	348,44,45,604	313,34,15,890
– Outside India	171,96,80,500	169,19,12,194
	520,41,26,104	482,53,28,084
Segment Liabilities		
– India	228,19,59,516	217,83,20,731
– Outside India	121,34,10,162	127,49,79,341
	349,53,69,678	345,33,00,072

The Group does not have any Secondary Segment

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2014 (contd.)**

o) Statement containing financial information of Subsidiary Companies

(In terms of General Circular No. 2/2011 dated 8th April 20011 issued by the Ministry of Corporate Affairs)

(Amount in Rs.)

Name of the subsidiary company	WPIL International Pte Limited (1)	Sterling Pumps Pty Limited (2)	Mathers Foundry Ltd (3)	WPIL SA Holdings Pty Ltd. @ (4)	Global Pump Servcies (FZE) (5)	Mody Industries (F.C) Pvt Ltd
Currency	USD	AUD	GBP	ZAR	AED	INR
Paid Up Capital	21,89,59,508	794	4,07,10,000	8,56,86,300	24,46,500	22,62,500
Reserves & Surplus	3,21,67,126	2,72,22,558	24,50,78,127	32,78,97,720	3,35,14,294	14,23,00,955
Total Assets	133,74,05,618	17,23,34,964	105,68,19,095	97,98,31,311	3,60,83,119	16,89,93,602
Total Liabilities	133,74,05,618	17,23,34,964	105,68,19,095	97,98,31,311	3,60,83,119	16,89,93,602
Turnover	14,01,80,684	25,92,49,760	97,32,21,030	95,78,32,010	21,23,71,887	21,04,53,614
Profit/(Loss) before Tax	9,81,20,459	(45,06,072)	(5,95,48,232)	14,80,23,627	3,46,19,944	7,10,02,838
Tax Provision	61,17,037	—	—	3,80,15,602	—	2,43,52,976
Profit/(Loss) after Tax	9,20,03,421	(45,06,072)	(5,95,48,232)	11,00,08,025	3,46,19,944	4,66,49,862

@ Including the Step down Subsidiaries in South Africa and Zambia

- 1 Converted into Indian Rupees using average rate (1 USD = Rs. 60.38) and Closing Rate (1 USD = Rs. 60.055) as on 31.03.2014
- 2 Converted into Indian Rupees using average rate (1 AUD = Rs. 56.22) and Closing Rate (1 AUD = Rs. 55.715) as on 31.03.2014
- 3 Converted into Indian Rupees using average rate (1 GBP = Rs. 96.08) and Closing Rate (1 GBP = Rs. 99.775) as on 31.03.2014
- 4 Converted into Indian Rupees using average rate (1 ZAR = Rs. 5.98) and Closing Rate (1 ZAR = Rs. 5.67) as on 31.03.2014
- 5 Converted into Indian Rupees using average rate (1 AED = Rs. 16.44) and Closing Rate (1 AED = Rs. 16.31) as on 31.03.2014

p) Previous year figures have been rearranged/regrouped by giving effect of audited financial statements since received for earlier years wherever found necessary.

q) Signature to Notes 1 to 26.

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

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

PRAKASH AGARWAL

K.K. GANERIWALA

U. CHAKRAVARTY

Managing Director

Executive Director

General Manager (Finance)
& Company Secretary

Place : Kolkata
Date : 21st May, 2014

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH, 2014

	Year ended 31st March, 2014		Year ended 31st March, 2013	
	Rs.	Rs.	Rs.	Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit before Tax and Extraordinary Items		53,61,78,063		68,10,24,241
Adjustment for:				
(Profit)/Loss on sale of Fixed Assets	(71,403)		20,75,808	
Impact of Foreign Exchange Translation (Net)	(8,52,97,066)		(90,18,818)	
Depreciation	6,74,79,026		6,64,78,479	
Interest Income	(77,86,613)		(81,96,039)	
Liabilities no longer required written back	(2,75,620)		—	
Bad Debts/Advances/Claims written off	1,31,34,665		9,24,057	
Interest Charge	17,56,07,554	16,27,90,543	14,00,79,297	19,23,42,784
Operating Profit before Working Capital changes		69,89,68,606		87,33,67,025
Adjustment for:				
Trade and Other Receivables	(22,12,75,108)		(44,88,01,272)	
Inventories	(2,02,54,730)		(18,28,71,538)	
Trade Payables	(1,13,61,636)	(25,28,91,474)	34,48,17,233	(28,68,55,577)
Cash generated from operations		44,60,77,132		58,65,11,448
Tax Paid		(7,07,24,658)		(18,13,94,078)
Net Cash from Operating Activities		37,53,52,474		40,51,17,370
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Fixed Assets (Net of Capital WIP)	(15,04,17,733)		(46,61,30,290)	
Sale of Fixed Assets	2,16,91,701		56,68,847	
Purchase of Investment	—		(24,50,06,125)	
Sale of Investments	—		1,76,42,760	
Loan Given	—		(31,73,82,270)	
Interest received	64,14,360		50,56,574	
Net Cash from/(used) in Investing Activities		(12,23,11,672)		(100,01,50,504)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	Year ended 31st March, 2014		Year ended 31st March, 2013	
	Rs.	Rs.	Rs.	Rs.
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds from Long Term Borrowings	12,06,66,482		34,34,84,080	
Repayments of Long Term Borrowings	(25,04,33,667)		(17,32,907)	
Proceeds from Short Term Borrowings	16,81,81,968		88,39,78,669	
Repayments of Short Term Borrowings	—		(37,46,09,035)	
Minority Contribution	(51,24,476)		—	
Joint Venture Share	(3,09,74,022)		—	
Dividend paid	(1,57,31,380)		(7,79,48,942)	
Dividend Tax Paid	(53,99,593)		(1,26,78,356)	
Interest paid	(17,56,07,554)		(13,91,62,463)	
Net Cash from/(used) in Financing Activities	(19,44,22,242)		62,13,31,046	
Net Increase/(Decrease) in Cash & Cash Equivalents	5,86,18,560		2,62,97,912	
Cash and Cash Equivalents (On Opening Date)	12,48,53,321		7,96,97,695	
Cash and Cash equivalent added on Consolidation	—		1,88,57,714	
Cash and Cash Equivalents (On Closing Date)	18,34,71,881		12,48,53,321	

Notes: 1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement notified by the Companies (Accounting Standards)

	31st March, 2014	31st March, 2013
	Rs.	Rs.
2. Cash & cash equivalents include :		
- Cash in hand	15,41,034	29,26,676
- With Scheduled Banks:		
On Current Accounts	12,33,60,752	9,41,21,116
On Unclaimed Dividend A/C	9,47,149	7,44,369
On Fixed Deposit A/C	51,44,384	50,00,000
Share of Joint Ventures	5,24,78,561	2,20,61,160
	18,34,71,881	12,48,53,321

3. Previous year's figures have been regrouped/rearranged wherever found necessary.
This is the Cash Flow Statement referred to in our Report of even date.

	For V. Singhi & Associates		
	Chartered Accountants	PRAKASH AGARWAL	Managing Director
	Registration no. 311017E	K.K. GANERIWALA	Executive Director
	(V. K. SINGHI)	U. CHAKRAVARTY	General Manager (Finance)
Place : Kolkata	Partner		& Company Secretary
Date : 21st May, 2014	Membership no. 50051		

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF WPIL LIMITED

We have audited the accompanying consolidated financial statements of WPIL Limited ("the Company") and its subsidiaries and joint ventures, which comprise the consolidated Balance Sheet as at 31st March, 2013, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Report on Financial Statements

1. The Financial Statements of subsidiaries namely WPIL International Pte Limited (Singapore), Mathers Foundry Limited (United Kingdom), WPIL SA Holding Pty Limited (South Africa), APE Pumps Pty Limited, Mather & Platt (SA) Pty Limited, PSV Services Pty Limited, PSV Properties 2 Pty Limited, and Mody Industries (FC) Private Limited (India), and Joint venture namely WPIL (Thailand) Co. Limited (Thailand) have not been audited by us. These Financial Statements have been audited by other auditors as appointed under the respective laws.
2. We have relied on the unaudited Financial Statements of the Subsidiary Companies namely Sterling Pumps Pty Limited (Australia), and PSV Zambia Limited (Zambia), and the Joint Venture Company namely Clyde Pump India Private Limited. Their Financial Statements reflect the Group's share of Total Assets of Rs. 4,142.96 Lakhs as at 31st March, 2013 and the Group's share of Total Revenues of Rs. 5,495.97 Lakhs for the year ended on that date, and Net Cash Outflows of Rs. 115.91 Lakhs for the year ended on that date. These Financial Statements and other financial information have been derived from the Unaudited Financial

INDEPENDENT AUDITOR'S REPORT (contd.)

Statements furnished to us and in our opinion, in so far as it relates to the amounts included in respect of the subsidiary and joint venture, is based solely on the "Fit for Consolidation Report" of the Management.

3. The Financial Statements of subsidiaries and joint ventures, whose financial statements reflect the Group's share of Total Assets of Rs. 25,341.23 Lakhs as at 31st March, 2013 and the Group's share of Total Revenues of Rs. 27,423.74 Lakhs for the year ended on that date, and Net Cash Inflows of Rs. 199.45 Lakhs for the year ended on that date have not been audited by us.
4. The Financial Statements of the foreign entities have been restated, where considered necessary, to comply with Generally Accepted Accounting Principles in India. Disclosures in respect of the above mentioned Financial Statements are given to the extent of available information.
5. Our opinion on the figures included in the aforesaid results relating to subsidiaries and joint ventures to the extent not audited/reviewed by us have been formed based on the reports received by other auditors/management of the Company.
6. We report that the Consolidated Financial Statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard 21 – "Consolidated Financial Statements" and Accounting Standard 27- "Financial Reporting of Interests in Joint Ventures" and other applicable Accounting Standards as notified by the Companies (Accounting Standard) Rules, 2006.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (ii) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- (iii) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Four Mangoe Lane
Surendra Mohan Ghosh Sarani
Kolkata 700 001

Date : May 13, 2013

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

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

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2013

	Note No.	31st March, 2013 Rs.	31st March, 2012 Rs.	31st March, 2012 Rs.
I. EQUITY AND LIABILITIES				
1) Shareholders' Funds				
a) Share Capital	2	7,96,70,800		7,96,70,800
b) Reserves and Surplus	3	102,54,89,091	110,51,59,891	65,09,27,313
				73,05,98,113
2) Minority Interest				
			26,68,68,121	10,62,30,223
3) Non - Current Liabilities				
a) Long - Term Borrowings	4	98,60,21,274		85,64,97,650
b) Deferred Tax Liabilities (net)	5	1,28,78,973		2,68,89,174
c) Other Long Term Liabilities	6	—		3,24,540
d) Long -Term Provisions	7	73,50,968	100,62,51,215	62,95,586
				89,00,06,950
4) Current Liabilities				
a) Short -Term Borrowings	8	62,85,14,247		46,00,78,289
b) Trade Payables	9	89,35,20,857		90,41,28,205
c) Other Curent Liabilities	10	88,04,37,827		32,68,96,410
d) Short -Term Provisions	11	4,45,75,926	244,70,48,857	3,74,77,054
				172,85,79,958
Total			482,53,28,084	345,54,15,244
II. ASSETS				
1) Non - Current Assets				
a) Fixed Assets	12			
i) Tangible Assets		94,40,97,240		74,67,83,580
ii) Intangible Assets		42,30,14,453		5,99,516
iii) Capital Work-in-Progress		1,70,33,598		6,238
		138,41,45,291		74,73,89,334
b) Non - Current Investments	13	16,000		16,000
c) Long - Term Loans and Advances	14	5,39,62,122	143,81,23,413	5,25,96,097
				80,00,01,431
2) Current Assets				
a) Inventories	15	73,79,55,779		51,43,84,264
b) Trade Receivables	16	221,38,98,226		190,74,00,582
c) Cash and Cash Equivalents	17	12,48,53,321		7,96,97,695
d) Short - Term Loans and Advances	18	21,30,38,964		14,01,98,675
e) Other Current Assets	19	9,74,58,381	338,72,04,671	1,37,32,597
				265,54,13,813
Total			482,53,28,084	345,54,15,244

Significant Accounting Policies 1

The accompanying Notes form an integral part of the Financial Statements

	As per our Report of even date		
	For V. Singhi & Associates		
	Chartered Accountants	PRAKASH AGARWAL	Managing Director
	Registration no. 311017E	K.K. GANERIWALA	Executive Director
	(V. K. SINGHI)	U. CHAKRAVARTY	General Manager (Finance)
Place : Kolkata	Partner		& Company Secretary
Date : May 13, 2013	Membership no. 50051		

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31ST MARCH, 2013

	Note No.	Year ended 31st March, 2013 Rs.		Year ended 31st March, 2012 Rs.	
I. Revenue from Operations	20	518,36,57,497		374,35,31,730	
Less : Excise Duty		8,80,14,906	509,56,42,591	<u>6,09,21,377</u>	368,26,10,353
II. Other Income	21		24,34,05,476		5,07,75,359
III. Total Revenue (I + II)			533,90,48,067		<u>373,33,85,712</u>
IV. Expenses					
Cost of Raw Materials and Components consumed	22		307,13,68,246		236,37,45,491
Changes in Inventories of Finished Goods and Work in Progress :	23		(12,48,64,519)		(4,75,82,534)
Employee Benefits Expenses	24		67,15,50,780		36,03,74,080
Finance Cost	25		19,38,36,429		14,31,00,970
Depreciation		6,75,97,185		2,51,01,127	
Less: Transferred from Revaluation Reserve		2,20,268	6,73,76,917	<u>14,09,611</u>	2,36,91,516
Other Expenses	26		77,87,55,973		<u>55,40,60,438</u>
			465,80,23,826		<u>339,73,89,961</u>
V. Profit before tax (III - IV)			68,10,24,241		33,59,95,751
VI. Tax expense					
– Current Tax		11,39,09,638		9,27,00,000	
– Tax adjustment of previous year		75,96,902		<u>6,46,881</u>	
		12,15,06,541		9,33,46,881	
– Deferred Tax		74,37,885		<u>45,59,217</u>	
		12,89,44,425		9,79,06,098	
– Share of Joint Ventures		60,00,000	13,49,44,425	<u>86,56,303</u>	<u>10,65,62,401</u>
Profit after tax before share of Minority					
Interests for the year (V - VI)			54,60,79,816		22,94,33,350
Less: Minority Interests			13,65,05,022		<u>56,30,228</u>
Profit for the year			40,95,74,794		<u>22,38,03,122</u>
Earnings per share (Face value of Rs 10/- each)					
(a) Basic			51.41		28.09
(a) Diluted			51.41		28.09

Significant Accounting Policies

1

The accompanying Notes form an integral part of the Financial Statements

As per our Report of even date

For V. Singhi & Associates

Chartered Accountants

Registration no. 311017E

(V. K. SINGHI)

Partner

Membership no. 50051

PRAKASH AGARWAL

K.K. GANERIWALA

U. CHAKRAVARTY

Managing Director

Executive Director

General Manager (Finance)
& Company Secretary

Place : Kolkata

Date : May 13, 2013

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

1 SIGNIFICANT ACCOUNTING POLICIES

1. ACCOUNTING CONVENTION

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

2. FIXED ASSETS AND DEPRECIATION

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

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

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

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

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

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

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

The excess of the cost to the Company of its investment in its subsidiaries over its share of Capital and Reserves of the subsidiaries are treated as goodwill. The Goodwill is disclosed as an asset in the consolidated balance sheet.

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

3. IMPAIRMENT OF ASSETS

The Company identifies impairable assets at the year end in accordance with the guiding principles of Accounting Standard - 28, issued by the Institute of Chartered Accountants of India, for the purpose of arriving at impairment loss thereon, being the difference in the book value and the recoverable value of the relevant assets. Impairment loss, when crystallises, are charged against revenues for the year.

4. LEASING

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

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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

SIGNIFICANT ACCOUNTING POLICIES (*contd.*)

5. INVESTMENTS

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

6. INVENTORIES

Finished Goods and Components are valued at cost (Net of CENVAT Credit) or net realizable value, whichever is lower. Other inventories are valued at cost or net realizable value, whichever is lower.

Cost is determined on weighted average basis and includes expenditure incurred in the normal course of business in bringing stocks and finished goods to their location and condition including appropriate overheads wherever applicable.

Cost of own manufactured components is determined by considering raw material cost and proportionate share of labour and overheads.

Cost of Work-in-progress is determined by considering raw material cost plus labor and overheads apportioned on an estimated basis depending upon the stages of completion, except in case of a subsidiary company where it is valued at cost or realizable value whichever is lower.

7. RESEARCH & DEVELOPMENT EXPENSES

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

8. FINANCIAL DERIVATIVES AND HEDGING TRANSACTIONS

Financial derivatives and hedging contracts are accounted on the date of their settlement, and realized gain/incurred loss in respect of contracts is recognized in the Statement of Profit and Loss along with the underlying transactions.

9. FOREIGN CURRENCY TRANSACTIONS

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

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

Non-monetary foreign currency items are carried at cost.

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

10. RETIREMENT BENEFITS

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

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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

SIGNIFICANT ACCOUNTING POLICIES (*contd.*)

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

A subsidiary Company operates a defined contribution pension scheme and the pension charge represents the amount payable by the Company to the fund in respect of the year.

11. GOVERNMENT GRANTS

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

12. INCOME

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

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

13. BORROWING COST

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

14. TAXES ON INCOME

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is calculated at current statutory income tax rates as applicable and is recognised on timing difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred tax assets subject to consideration to prudence are recognised and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

15. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the Financial Statements.

Cost of Product Warranties including provisions are included under the head “Miscellaneous Expenses”, which includes cost of raw materials and components for free replacement of spares, and other overheads.

16. PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statements relate to WPIL Limited (the Company), its Subsidiaries and Joint Ventures (the groups). The Consolidated Financial Statements are in conformity with Accounting Standard 21 on “Consolidated

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)

SIGNIFICANT ACCOUNTING POLICIES (contd.)

Financial Statements” and Accounting Standard-27 on “Financial Reporting of Interests in Joint Ventures” as notified under the Companies (Accounting Standards) Rules, 2006 and are prepared as set out below:

- a) The Financial Statements of the Company and its subsidiaries are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after adjustments/elimination of inter-company balances, transactions including unrealized profit etc.
- b) The Consolidated Financial Statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances in all material respect and are presented to the extent practicable and possible, in the same manner as the Company's separate financial statements.
- c) The difference between the cost of investments in the Subsidiaries, over its portion of equity at the time of acquisition of shares is recognized in the Consolidated Financial Statements as Goodwill or Capital Reserve, as the case may be.
- d) The translation of the functional currencies into Indian Rupees (reporting currency) is performed for equity in the foreign subsidiaries, assets and liabilities using the closing exchange rate at the Balance Sheet date, and for revenues, costs and expenses using average exchange rates prevailing during the period. The resultant exchange difference arising out of such transactions is recognized as part of equity (Foreign Currency Translation Reserve Account) by the Company until the disposal of investment.
- e) Interest in Joint Ventures is reported using proportionate consolidation method in the consolidated Financial Statements. A separate line item is added in the consolidated Financial Statements for proportionate share of assets, liabilities, income and expenses.

2 SHARE CAPITAL

(a) Authorised

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

(b) Issued, Subscribed and Paid Up

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

	31st March, 2013	31st March, 2012
	Rs.	Rs.
	9,86,00,000	9,86,00,000
	14,00,000	14,00,000
	10,00,00,000	10,00,00,000
	7,96,70,800	7,96,70,800

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)

	31st March, 2013		31st March, 2012	
	Rs.	Rs.	Rs.	Rs.
3 RESERVES AND SURPLUS				
a) Capital Reserve on Re-issue of forfeited shares As per last Financial Statement		3,500		3,500
b) Capital Redemption Reserve As per last Financial Statement		14,00,000		14,00,000
c) Capital Reserve on Consolidation As per last Financial Statement	2,07,34,075		2,07,34,075	
Less: Adjusted on consolidation during the year	2,07,34,075	—	—	2,07,34,075
d) Revaluation Reserve As per last Financial Statement	55,39,498		69,49,109	
Less: Transferred to Statement of Profit and Loss	2,20,268	53,19,230	14,09,611	55,39,498
e) General Reserve As per last Financial Statement	34,37,15,302		19,37,15,302	
Add : Transfer from Surplus	15,62,84,698	50,00,00,000	15,00,00,000	34,37,15,302
f) Surplus As per last Financial Statement	26,50,14,609		20,96,69,021	
Add : Excess provision for Tax on Dividend for the year 2011 written back	—		61,545	
	26,50,14,609		20,97,30,566	
Add : Profit for the year as per Statement of Profit and Loss (Including Share of Joint Ventures Rs. 2,83,27,883/-)	40,95,74,794		22,38,03,122	
	67,45,89,403		43,35,33,688	
Less : Appropriations				
- Transfer to General Reserve	15,62,84,698		15,00,00,000	
- Proposed Dividend	1,59,34,160		1,59,34,160	
- Tax on Dividend	27,08,010	49,96,62,535	25,84,919	26,50,14,609
g) Foreign Exchange Translation Reserve As per last Financial Statement	42,85,039		42,85,039	
Add: For the year	(1,38,60,198)	(95,75,160)	—	42,85,039
Share of Joint Ventures		2,86,78,986		1,02,35,290
		102,54,89,091		65,09,27,313

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)

	31st March, 2013		31st March, 2012	
	Rs.	Rs.	Rs.	Rs.
4 LONG TERM BORROWINGS				
Secured :				
Term Loans:				
a) From Banks	76,04,49,744		49,63,57,943	
Less: Repayable within one year	9,13,43,096	66,91,06,648	<u>2,47,35,072</u>	47,16,22,871
b) From Others	31,87,04,175		30,28,59,619	
Less: Repayable within one year	20,26,73,479	11,60,30,696	<u>—</u>	30,28,59,619
Unsecured :				
– From Corporate Bodies		20,00,00,000		8,00,00,000
Share of Joint Ventures		8,83,930		20,15,160
		98,60,21,274		<u>85,64,97,650</u>
5 DEFERRED TAX LIABILITIES (Net)				
a) Deferred Tax Liabilities :				
– Depreciation on Fixed Assets		4,21,68,338		3,15,10,242
b) Deferred Tax Assets :				
– Employees Benefits	24,37,001		40,85,219	
– Others	2,49,22,778	2,73,59,779	<u>2,02,942</u>	42,88,161
Share of Joint Ventures		(19,29,586)		(3,32,907)
		1,28,78,973		<u>2,68,89,174</u>
6 OTHER LONG TERM LIABILITIES				
Government grants		<u>—</u>		3,24,540
		<u>—</u>		<u>3,24,540</u>
7 LONG TERM PROVISIONS				
- Leave Encashment		70,46,757		62,95,586
- Gratuity		3,04,211		<u>—</u>
		73,50,968		<u>62,95,586</u>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH, 2013 (contd.)**

	31st March, 2013		31st March, 2012	
	Rs.	Rs.	Rs.	Rs.
8 SHORT TERM BORROWINGS				
LOANS REPAYABLE ON DEMAND				
(a) Secured				
Cash Credit from Banks		48,62,07,758		33,59,76,403
(b) Unsecured				
Short Term Loans from :				
- Banks	9,26,60,495		9,73,21,970	
- Others	4,96,45,994	14,23,06,489	2,67,79,916	12,41,01,886
		62,85,14,247		46,00,78,289
9 TRADE PAYABLES				
a) Acceptances		9,01,07,133		12,29,39,201
b) Sundry Creditors		79,13,72,806		76,26,14,585
Share of Joint Ventures		1,20,40,918		1,85,74,419
		89,35,20,857		90,41,28,205
10 OTHER CURRENT LIABILITIES				
a) Current Maturities of Loans (Refer note 4)		29,40,16,575		2,47,35,072
b) Advance from Customers		42,19,24,623		19,34,33,564
c) Interest accrued but not due on loans		60,00,067		49,68,287
d) Unclaimed Dividends		7,44,369		5,40,401
e) Other Payables				
- Statutory Liabilities	5,77,02,013		3,18,22,898	
- Deposits	10,84,721		11,06,000	
- Others	7,76,18,833	13,64,05,567	6,64,69,356	9,93,98,254
Share of Joint Ventures		2,13,46,626		38,20,832
		88,04,37,827		32,68,96,410
11 SHORT TERM PROVISIONS				
a) For Proposed Dividend		1,59,34,160		1,59,34,160
b) For Tax on Proposed Dividend		27,08,010		25,84,919
c) For Leave Encashment		62,76,972		8,74,172
d) For Warranties		91,25,000		1,01,86,108
e) For Others		12,00,131		—
Share of Joint Ventures		93,31,653		78,97,695
		4,45,75,926		3,74,77,054

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)

12 FIXED ASSETS

	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	Cost/Valuation	Additions on Consolidation	Additions during the year	Disposals/ Adjustments during the year	As at 31st March, 2013	Upto 31st March, 2012	On Consolidation	For the year	Deductions/ Adjustments during the year	Foreign Exchange Translation reserve	Upto 31st March, 2013	As at 31st March, 2012
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
TANGIBLE ASSETS												
Land: Freehold	32,37,98,176	6,80,15,474	4,54,45,642	6,39,900	43,66,19,392	14,94,790	19,74,054	32,11,684	—	(41,93,801)	24,86,727	43,41,32,665
Leasehold	61,23,429	—	—	—	61,23,429	2022,110	—	1,57,615	—	(6,144)	21,73,581	39,49,848
Buildings	11,76,45,020	1,73,83,234	36,93,103	—	13,87,21,357	3,75,49,075	1,18,20,813	43,73,356	—	—	5,37,43,244	8,49,78,113
Plant and Machinery	65,49,95,189	5,40,24,730	4,84,37,644	81,17,759	74,93,39,804	37,53,82,215	4,02,61,835	4,09,40,077	10,44,316	(51,88,412)	45,03,51,399	29,89,88,405
Factory Equipment	30,96,312	—	—	—	30,96,312	29,40,745	—	53,157	—	—	29,93,902	1,02,410
Patterns and Moulds	5,40,84,401	7,32,94,465	—	—	12,73,78,866	4,32,71,147	1,97,51,270	63,33,749	—	(19,33,183)	6,74,22,983	5,99,55,883
Electrical Installation	1,96,10,391	—	3,30,434	—	1,99,40,825	56,25,160	—	8,25,842	—	—	64,51,002	1,34,89,823
Furniture and Fittings	6,62,83,969	56,59,339	19,92,947	—	7,39,36,255	3,83,89,105	42,75,391	46,09,398	—	(5,03,670)	4,67,70,224	2,71,66,031
Office Equipment	8,58,342	54,31,821	20,71,184	9,065	83,52,282	5,82,479	48,35,590	14,03,712	7,282	(4,04,724)	64,09,775	19,42,507
Computers												
- Owned	9,10,698	23,27,623	1,53,389	1,50,138	32,41,572	4,42,739	19,99,806	2,69,138	1,20,608	40	25,91,115	6,50,457
- Leased	26,12,261	—	—	—	26,12,261	22,31,096	—	3,63,628	—	—	25,94,724	17,537
Motor Vehicles	83,02,659	2,04,73,550	97,49,385	—	3,85,25,594	16,06,606	1,49,60,037	45,96,389	—	(13,60,999)	1,98,02,033	1,87,23,561
Total Tangible Assets	125,83,20,847	24,66,10,236	11,18,73,728	89,16,862	160,78,87,949	51,15,37,267	9,98,78,796	6,71,37,745	11,72,206	(1,35,90,893)	66,37,90,709	94,40,97,240
Previous Year	—	123,40,37,109	8,43,72,810	6,00,89,071	125,83,20,848	—	53,57,00,399	3,43,50,109	5,93,52,338	8,39,098	51,15,37,268	74,67,83,580
INTANGIBLE ASSETS												
Goodwill (Refer Note-1)	(5,57,50,065)	44,29,04,409	—	2,07,34,075	36,64,20,269	(55,75,00,65)	—	—	—	—	(5,57,50,065)	42,21,70,334
Software												
- Owned	16,14,931	6,98,436	—	—	23,13,367	14,57,249	—	2,85,137	—	—	17,42,386	5,70,981
- Leased	9,87,200	—	—	—	9,87,200	6,32,745	—	1,74,303	—	—	8,07,048	1,80,152
Formation Expenses	87,379	—	—	—	87,379	—	—	—	—	(5,607)	(5,607)	92,986
Total Intangible Assets	(5,30,60,555)	44,36,02,845	—	2,07,34,075	36,98,08,215	(5,36,60,071)	—	4,59,440	—	(5,607)	(5,32,06,238)	42,30,14,453
Previous Year	—	(5,20,48,557)	—	10,11,698	(5,30,60,555)	—	(1,69,08,995)	(92,48,982)	(2,41,98,005)	(22,86,975)	(5,36,60,071)	5,99,516
Capital Work-in-Progress	6,238	—	1,70,27,360	—	1,70,33,598	—	—	—	—	—	—	1,70,33,598
Grand Total	120,52,66,530	69,02,13,081	12,89,01,088	2,96,50,937	199,47,29,762	45,78,77,196	9,98,78,796	6,75,97,185	11,72,206	(1,35,96,500)	61,05,84,471	138,41,45,291
Previous Year	—	118,19,88,252	8,43,79,048	6,11,00,769	120,52,66,531	—	51,87,91,404	2,51,01,127	3,51,54,333	(14,47,877)	45,78,77,197	74,73,89,334

Note- 1: Pursuing to acquisitions of subsidiaries, goodwill on consolidations of Rs 44,29,04,409 has been accounted for in keeping with the relevant accounting policy set out in Note No - 1 (16).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)

31st March, 2013		31st March, 2012	
Rs.	Rs.	Rs.	Rs.

13 NON - CURRENT INVESTMENTS

- Long Term (at cost)

Unquoted

Other Investments

Nos.	Currency	Face Value	Description				
—	INR		Government Securities				
			7 Year Post Office National Savings Certificate	23,000		23,000	
			Less : Provisions made	23,000	—	<u>23,000</u>	—
1	INR	7000	(5% Non-Redeemable Debenture Stock) Woodland Hospital & Medical Research Centre Limited		7,000		7,000
9	INR	1000	(6 1/2% Non-Redeemable Debenture Stock) Bengal Chamber of Commerce and Industry		9,000		9,000
					16,000		<u>16,000</u>

14 LONG TERM LOANS AND ADVANCES

- UNSECURED

(Considered good)

Security Deposits :

- Earnest Money Deposit	1,10,57,727		95,45,106	
- Others	7,90,046	1,18,47,773	<u>7,82,046</u>	1,03,27,152

Other Advances		4,15,59,195		4,12,50,000
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Share of Joint Ventures		5,55,154		10,18,945
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	5,39,62,122		<u>5,25,96,097</u>	
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15 INVENTORIES (at lower of cost or net realisable value)

a) Raw Materials and Components	41,90,32,409		32,90,02,863	
b) Work-in-Progress	27,31,24,280		15,95,65,679	
c) Finished Goods	3,31,67,359		1,16,82,556	
d) Stores and Spare Parts	89,58,620		95,32,407	

Share of Joint Ventures	36,73,111		46,00,759	
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	73,79,55,779		<u>51,43,84,264</u>	
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NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)

	31st March, 2013		31st March, 2012	
	Rs.	Rs.	Rs.	Rs.
16 Trade Receivables - Unsecured (Considered good)				
a) Debts outstanding for a period exceeding six months		31,50,67,099		21,47,12,779
b) Other Debts		182,59,50,047		166,51,72,519
Share of Joint Ventures		7,28,81,080		2,75,15,284
		221,38,98,226		190,74,00,582
17 CASH AND CASH EQUIVALENTS				
a) Balance with Banks :				
- On Current Account		9,41,21,116		4,22,61,425
b) Cash - in - hand		29,26,676		40,56,002
c) Other Bank balances				
- On Unclaimed Dividend Account	7,44,369			5,40,401
- On Bank Deposits with less than 12 months maturity	50,00,000	57,44,369		1,50,07,020
Share of Joint Ventures		2,20,61,160		1,78,32,847
		12,48,53,321		7,96,97,695
18 SHORT TERM LOANS AND ADVANCES - UNSECURED (Considered good)				
a) Others :				
- Balance with Central Excise authority	6,94,24,062		6,51,37,659	
- Balance with Sales tax authorities	5,22,84,341		1,91,15,011	
- Balance with Customs authority	—		3,27,692	
- Others	2,98,54,743	15,15,63,146	4,27,66,501	12,73,46,863
b) Advance payment of Income - Tax [(Net of Provision for Income Tax - Rs. 1139 lacs. (2012- Rs. 927))]		6,08,68,164		52,51,477
Share of Joint Ventures		6,07,654		76,00,335
		21,30,38,964		14,01,98,675
19 OTHER CURRENT ASSETS				
- Interest Receivables		8,50,353		16,18,570
- Others		8,49,19,525		1,20,09,767
Share of Joint Ventures		1,16,88,503		1,04,260
		9,74,58,381		1,37,32,597

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)

Year ended		Year ended	
31st March, 2013		31st March, 2012	
Rs.	Rs.	Rs.	Rs.

20 REVENUE FROM OPERATIONS

a) Sale of Products			
- Pumps	94,49,45,023	91,16,75,953	
- Spare Part of Pumps	62,16,09,849	44,10,44,663	
- Castings	103,51,89,259	48,85,81,042	
- Accessories of Pumps	111,42,16,900	162,61,20,792	
- Others	123,58,31,284	7,12,94,276	353,87,16,726
	495,17,92,315		
b) Sale of Services	7,13,29,207		7,18,44,110
c) Other Operating Revenues :			
- Duty Drawback	7,33,259		4,86,011
Share of Joint Ventures	15,98,02,716		13,24,84,883
	518,36,57,497		374,35,31,730

21 OTHER INCOME

a) Interest Income (Gross)	73,06,917	35,52,634
b) Net Gain/(loss) on Foreign currency translation and transaction	(1,20,00,397)	71,81,568
c) Claims and Compensations received	—	22,98,580
d) Rent income	—	15,96,000
e) Sundry Income	23,94,08,282	13,63,026
f) Liability no longer required, written back	21,93,196	72,48,855
g) Negative Goodwill, written back	—	2,47,06,562
h) Government Grant amortised	3,42,716	93,449
Share of Joint Ventures	61,54,762	27,34,685
	24,34,05,476	5,07,75,359

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)

Year ended		Year ended	
31st March, 2013		31st March, 2012	
Rs.	Rs.	Rs.	Rs.

22 COST OF RAW MATERIALS AND COMPONENTS CONSUMED

a) Pig iron / Ferrous Scrap	3,38,01,650	3,24,56,767
b) Cables & Winding wires	1,90,22,085	93,33,267
c) Pipes & Tubes	7,89,95,129	4,43,24,847
d) Steel Shafting	9,64,96,205	9,51,80,487
e) Bronze & other metal ingots	1,80,79,091	3,08,75,929
f) Motors, Engines & Starters	29,78,03,627	35,75,73,775
g) Valves	7,86,91,311	7,30,56,508
h) C.I.Castings	8,10,28,944	4,94,61,280
i) M.S.Sheets	12,44,92,838	22,35,40,611
j) Steel / Alloy Steel Castings	68,75,35,651	35,34,16,531
k) Stampings	—	—
l) Spare & others	152,30,82,174	103,63,32,503
Share of Joint Ventures	3,23,39,541	5,81,92,986
	307,13,68,246	236,37,45,491

23 CHANGE IN INVENTORIES OF FINISHED GOODS & WORK IN PROGRESS

Opening Stock :			
- Work in Progress	15,95,65,679	10,53,95,813	
- Finished Goods	1,16,82,556	2,16,89,308	
- On Consolidation	93,16,813	18,05,65,048	— 12,70,85,121
Closing Stock :			
- Work in Progress	27,31,24,280	15,95,65,679	
- Finished Goods	3,31,67,359	30,62,91,639	1,16,82,556 17,12,48,235
Share of Joint Ventures	8,62,072		(34,19,420)
	(12,48,64,519)		(4,75,82,534)

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH, 2013 (contd.)**

Year ended		Year ended	
31st March, 2013		31st March, 2012	
Rs.	Rs.	Rs.	Rs.

24 EMPLOYEE BENEFIT EXPENSES

a) Salaries and Wages	56,60,54,814	30,13,67,985
b) Contribution to Provident, Pension and Other Funds	2,82,63,740	1,63,73,057
c) Contribution to Employees State Insurance Scheme	22,83,953	24,28,934
d) Staff Welfare Expense	5,03,60,974	1,63,63,794
Share of Joint Ventures	2,45,87,299	2,38,40,310
	67,15,50,780	36,03,74,080

25 FINANCE COST

a) Interest Expense	13,98,59,333	9,23,78,716
b) Other Finance costs	2,60,08,060	3,19,92,644
c) Applicable (Gain)/Loss on Foreign currency translation and transactions	2,77,45,836	1,82,76,487
Share of Joint Ventures	2,23,200	4,53,123
	19,38,36,429	14,31,00,970

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)

Year ended		Year ended	
31st March, 2013		31st March, 2012	
Rs.	Rs.	Rs.	Rs.

26 OTHER EXPENSES

a) Consumption of Stores and Spare Parts	7,04,35,085	5,38,45,053
b) Excise Duty	77,71,238	9,50,777
c) Power and Fuel	10,82,90,284	6,06,68,323
d) Erection Expenses	9,35,56,212	8,89,27,563
e) Rent	3,59,06,651	1,45,51,442
f) Rates & Taxes	4,25,03,059	1,73,96,112
g) Postage & Telephone	1,18,28,513	63,42,111
h) Repairs to Machinery	3,72,29,235	1,78,42,631
i) Repairs to Buildings	50,85,127	50,24,955
j) Repairs to others	92,73,171	60,90,131
k) Insurance	2,07,53,736	1,71,97,765
l) Travelling Expenses	3,91,45,391	3,16,84,526
m) Loss on Commodity transactions (net)	—	15,63,853
n) Loss on Sale of Fixed Assets	14,04,596	2,88,542
o) Professional & Consultancy Fees	6,37,26,375	5,16,18,971
p) Carriage Outward	1,38,31,773	75,04,303
q) Advertisement	24,07,949	7,96,709
r) Claims & Compensations etc. paid	3,87,506	2,72,36,486
s) Bad Debts written off	78,04,757	12,14,266
t) Dealer Discount	1,55,95,034	1,53,88,873
u) Commission to other selling agents	3,75,19,069	3,86,19,250
v) Service Charges	9,96,763	66,47,861
w) Directors' Fees	60,000	72,000
x) Commission to Directors	4,00,000	4,00,000
y) Auditors' Remuneration		
- As Auditor	5,60,000	5,60,000
- For Other Services	2,52,504	2,60,000
- For Reimbursement of Expenses	49,440	35,000
z) Miscellaneous Expenses	10,98,54,879	5,43,43,660
Share of Joint Ventures	4,21,27,626	2,69,89,275
	77,87,55,973	55,40,60,438

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)

27 OTHER INFORMATION

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

Sl.	Name of the Company	Country of Incorporation	% of Holding either directly/ indirectly or through subsidiary		Reporting period
			2013	2012	
A)	SUBSIDIARIES				
i)	WPIL International Pte Limited	Singapore	51	51	12 months ended 31st March
ii)	Mathers Foundry Limited	United Kingdom	51	51	12 months ended 31st March
iii)	Sterling Pumps Pty Limited	Australia	53	53	12 months ended 31st March
iv)	Mody Industries (F.C) Private Limited	India	100	—	12 months ended 31st March
v)	WPIL SA Holdings Pty Limited	South Africa	51	—	13 months ended 31st March
vi)	APE Pumps Pty Limited	South Africa	51	—	13 months ended 31st March
vii)	Mather & Platt (SA) Pvt Limited	South Africa	51	—	13 months ended 31st March
viii)	PSV Services Pty Limited	South Africa	51	—	13 months ended 31st March
ix)	PSV Properties 2 Pty Limited	South Africa	51	—	13 months ended 31st March
x)	PSV Zambia Limited (Zambia)	Zambia	51	—	13 months ended
B)	JOINT VENTURES				
i)	Clyde Pump India Private Limited	India	40	40	12 months ended 31st March
ii)	WPIL (Thailand) Co. Limited	Thailand	25	25	12 months ended 31st December

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)

27 OTHER INFORMATION (contd.)

b) During the year, the Group has acquired the following subsidiaries –

Sl.	Name of the Company	Date of Acquisition	Acquired By
i)	Mody Industries (F.C) Private Limited	26.03.2013	WPIL Limited
ii)	WPIL SA Holdings Pty Limited	16.04.2012	WPIL International Pte Limited
iii)	APE Pumps Pty Limited	01.06.2012	WPIL SA Holdings Pty Limited
iv)	Mather & Platt (SA) Pty Limited	01.06.2012	WPIL SA Holdings Pty Limited
v)	PSV Services Pty Limited	01.06.2012	WPIL SA Holdings Pty Limited
vi)	PSV Properties 2 Pty Limited	01.06.2012	WPIL SA Holdings Pty Limited
vii)	PSV Zambia Limited (Zambia)	01.06.2012	WPIL SA Holdings Pty Limited

Pursuing to the above acquisitions, goodwill on consolidations of Rs. 44,29,04,409 has been accounted for in keeping with the relevant accounting policy set out in Note No – 1 (16).

Out of the above, goodwill on consolidation amounting to Rs. 2,07,34,075 has been adjusted with capital reserve in the current year.

	31st March 2013 Rs.	2012 Rs.
c) Sale of Product is stated net of returns in Financial Statements	10,60,816	—
d) Estimated amount of contracts remaining unexecuted on Capital Account and not provided for “(net of Advances Rs 14,79,365)	1,55,14,956	15,83,740
e) Claims against the Company not acknowledged as debts	17,16,402	50,28,703
f) Contingent liabilities not provided for in the Financial Statements in respect of the following :		
- Sales Tax matters under dispute	2,53,19,271	2,20,69,902
- Excise Duty matters under dispute	1,92,752	1,92,752
- Bank Guarantee outstanding	50,60,95,210	45,78,61,540
- Corporate Guarantee outstanding	114,95,61,600	63,25,00,000
- The Assets of a subsidiary, Mathers Foundry Limited have been given as security to a bank in Singapore for availing credit facility by its holding company (WPIL International Pte Limited), in respect of the acquisition of the Company. The Company has also received working capital finance from the same bank.		
g) During the year, one of the subsidiary has cumulative Bank Guarantee outstanding as on 31st March, 2013 amounting to Rs. 83,92,428/- (2012 - Rs. 78,71,977/-) from its banker - State Bank of India. The said guarantees have been fully secured against fixed deposits pledged with the bank for Rs. 91,35,768/- (2012 - 85,00,000/-)		
h) Provision and Contingent Liability		
A retrenched employee has filed a case against one of the subsidiary in the Industrial Labour Court claiming of Rs. 12,00,000/- (approx.) towards retrenchment compensation. The case is pending and the management is of the view that such claim is not valid and will not be allowed by the Court, hence, no provision has been made in the financial statements.		

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)

- i) Accrued liability on account of Gratuity payable to the employees of the Company on retirement at future dates as per actuarial valuation as at 31st March, 2013 amounts to Rs. 2,30,97,562/- (2012 – Rs. 2,19,47,713/-). A total sum of Rs. 5,13,38,560/- (including Rs. 34,32,000/- during the current year) has been charged in the Financial Statements and paid to LIC by way of premium under Group Gratuity Scheme for its employees to cover current as well as past liability.
- j) Research and Development Expenses
Research and Development Expenses relating to revenue nature aggregating to Rs. 74.32 lacs (2012 - Rs. 66.97 lacs) have been charged to respective heads of accounts in the Statement of Profit and Loss, and relating to capital nature aggregating to Rs. 3.78 lacs (2012 - Rs. Nil) have been capitalised under different heads in Fixed Assets in the Balance Sheet.
- k) A loan was obtained by one of the subsidiaries in June 2011 for acquisition of Subsidiary, Mathers Foundry Limited, and its working capital requirements. The term loan is being repaid in 20 equal quarterly installments since December 2012. It carries interest rate of LIBOR plus 3.5% (For Term Loan) and LIBOR plus 3.9% (For Working Capital Loan). The loan is secured by Corporate Guarantee of Holding Company and Mathers Foundry Limited, an exclusive charge over the entire assets of Mathers Foundry Limited both present and future and pledge of 100% shares of Mathers Foundry Limited.
- l) During the year, one of the subsidiaries has obtained a Loan from a bank for a acquisition of South African step-down subsidiaries. This loan is repayable after 21 months from the utilization date (i.e. June 2012) in 20 equal quarterly installments and carries interest rate of LIBOR plus 5.25%. This loan is secured by Corporate Guarantee of the Holding Company, WPIL SA Holdings Proprietary Limited and the South African step-down subsidiaries, a charge over entire assets of the step-down subsidiaries and a pledge of the shares of WPIL SA Holdings Proprietary Limited and the South African step-down subsidiaries.
- m) Warranty costs are accrued at the time the products are sold. Based on past experience, the provision is discharged over the contractual warranty period from the date of sale. During the year, Rs. 1,18,16,421/- have been incurred against earlier provisions, and Rs. 91,25,000/- have been provided.
- n) Earnings Per Share

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

31st March	
2013	2012
40,95,74,794	22,38,03,122
10	10
79,67,080	79,67,080
51.41	28.09

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

A) List of Related Parties

- i) Key Management Personnel and their relatives
- | | |
|---------------------------|---|
| - Mr. P. Agarwal | : Managing Director |
| - Mr. V.N. Agarwal | : Director, Father of Mr. P. Agarwal |
| - Mr. K.K. Ganeriwala | : Executive Director |
| - Mr. Anton Richard Merry | : Wholetime Director of Sterling Pump Pty Ltd |
| - Mr. S.R. Shah | : Executive Director of Mody Industries (F.C) Pvt Ltd |
| - Mr. Peter Robinson | : Executive Director of APE Pumps Pty Ltd |
- ii) Companies over which key - Bengal Steel Industries Limited (Bengal Steel) management personnel or - Hindusthan Udyog Limited (HUL) relatives are able to exercise control/significant influence

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)

B Disclosure of transactions with Related parties during the year.

	Companies over which control/ significant influence of key management personnel exists				Key management personnel of the Company	
	Bengal Steel		HUL			
	2013	2012	2013	2012	2013	2012
Sale of Products	—	—	2,63,36,892	85,75,282	—	—
Purchase of Goods	—	—	26,29,79,957	26,03,79,048	—	—
Dividend Paid	—	—	77,23,318	77,23,318	3,92,884	3,92,884
Rent Paid	48,00,000	48,00,000	31,35,000	30,80,000	—	—
Amenities Paid	—	—	1,47,514	13,72,366	—	—
Electricity Charges Paid	22,73,050	23,52,649	—	—	—	—
Sale of Fixed Assets	—	—	56,68,847	—	—	—
Remuneration, Commission and Sitting Fees						
- Mr. P. Agarwal	—	—	—	—	43,58,769	42,15,222
- Mr. K. K. Ganeriwala	—	—	—	—	29,70,122	29,28,896
- Mr. V. N. Agarwal	—	—	—	—	1,08,000	1,12,000
As at 31st March						
Trade Receivable	—	—	88,14,781	43,94,860	—	—
Trade Payable	1,93,019	—	10,90,71,385	10,88,50,640	—	—

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

(Rupees in Lacs)

	Year ended 31st March, 2013		Year ended 31st March, 2012	
	Gratuity	Leave Encash- ment	Gratuity	Leave Encash- ment
A) Components of Employer Expenses :-				
1. Current Service Cost	18.08	2.95	16.21	1.86
2. Interest Cost	17.56	5.74	18.28	5.62
3. Expected Return on Plan Assets	(1.14)	—	(0.65)	—
4. Actuarial (Gain)/Loss	11.00	18.43	(0.81)	7.90
5. Expenses recognized in the Statement of Profit and Loss	45.50	27.12	33.03	15.38
B) Net Assets/(Liability) recognised in the Balance Sheet as at 31st March :-				
1. Present value of obligation as at 31st March	230.98	87.87	219.48	71.70
2. Fair value of Plan Assets as at 31st March	(11.15)	—	(12.50)	—
3. (Assets)/Liability recognized in the Balance Sheet	219.83	87.87	206.98	71.70

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)

p) Disclosure required under Accounting Standard (AS) - 15 (Revised) are as follows : (contd.)

(Rupees in Lacs)

	Year ended 31st March, 2013		Year ended 31st March, 2012	
	Gratuity	Leave Encash- ment	Gratuity	Leave Encash- ment
C) Change in the Defined Benefit Obligation (DBO) during the year ended 31st March :-				
1. Present value of obligation at the beginning of the year	219.48	71.70	215.05	66.13
2. Current Service Cost	18.08	2.95	16.21	1.86
3. Interest Cost	17.56	5.74	18.28	5.62
4. Past Service Cost	—	—	—	—
5. Actuarial (Gain)/Loss	10.65	18.43	0.35	7.90
6. Benefits paid	(34.79)	(10.95)	(30.41)	(9.81)
7. Present value of obligation at the end of the year	230.98	87.87	219.48	71.70
D) Change in the Fair Value of Plan Assets :-				
1. Plan Assets at the beginning of the year	12.50	—	7.62	—
2. Actual return on Plan Assets	1.14	—	0.65	—
3. Actuarial gain/(loss) on plan assets	(0.36)	—	1.16	—
4. Actual Company's contribution	32.65	10.95	33.48	9.81
5. Benefits paid	(34.79)	(10.95)	(30.41)	(9.81)
6. Fair value of Plan Assets at the end of the year	11.15	—	12.50	—
E) Actuarial assumptions :-				
1. Discount rate (p.a.)	0.08	0.08	0.09	0.08
2. Expected rate of return (p.a.)	0.09	N.A.	0.09	N.A.
3. Salary escalation (p.a.)	0.05	0.05	0.05	0.05
F) Experience adjustment on account of actuarial assumption of Gratuity :				
	2012-13		2011-12	
1. Defined Benefit Obligation as at 31st March	230.98		219.48	
2. Plan Asset as at 31st March	11.15		12.50	
3. Surplus/(Deficit)	(219.83)		(206.98)	
4. Experience adjustment on Plan Assets	(0.36)		1.16	
5. Experience adjustment on Plan Liabilities	10.65		3.45	

q) Lease Commitments

Following amount has been charged in the Statement of Profit and Loss of Mathers Foundry Limited		31st March	
	2013 Rs.		2012 Rs.
i) Lease payments recognized in the Statement of profit and Loss for the year	51,28,363		38,05,294
ii) Minimum lease payments under the agreements are as follows:			
a) Not later than one year	70,29,544		36,24,329
b) Later than one year but not later than 5 Year	26,62,591		40,24,500

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)**

r) Segment Reporting :

The Group is primarily engaged in the business of design, development, manufacture, marketing, installation and servicing of vertical and horizontal pumps of various sizes required for lift irrigation / major irrigation schemes, thermal / nuclear power plants etc., and accordingly there are no business segment. However pursuant to recent acquisitions across various geographical locations with different political and economic environment, risks and rewards etc, the group after review has identified geographical segments as primary reporting format. The geographical segments has been identified as India and Outside India.

	2013 Rs.	3 1st March 2012 Rs.
Segment Revenue		
– India	290,20,46,818	290,99,64,223
– Outside India	243,70,01,249	82,34,21,489
Total	533,90,48,067	373,33,85,712
Segment Results (Profit before Tax)		
– India	34,89,93,123	106,56,33,580
– Outside India	33,20,31,118	30,08,13,816
	68,10,24,241	136,64,47,396
Less:		
– Other unallocated expenditure net of unallocated income	—	103,04,51,645
Profit before Taxation and Minority Interest	68,10,24,241	33,59,95,751
Less: Taxation Charge		
Current Tax	12,75,06,541	10,13,46,881
Deferred Tax	74,37,885	52,15,520
Less: Minority Interests	13,65,05,022	56,30,228
Profit after Taxation and Minority Interest	40,95,74,794	22,38,03,122
Segment Assets		
– India	313,34,15,890	250,90,02,816
– Outside India	169,19,12,194	74,29,49,515
– Unallocable	—	20,34,62,913
	482,53,28,084	345,54,15,244
Segment Liabilities		
– India	217,83,20,731	183,89,87,852
– Outside India	127,49,79,341	18,25,74,694
– Unallocable	—	59,70,24,362
	345,33,00,072	261,85,86,908
The Group does not have any Secondary Segment		

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)**

		Year ended 31.03.2013		Year ended 31.03.2012	
		Percentage Rs.	Value	Percentage Rs.	Value
s)	Value of Raw Materials and Components consumed are as follows :				
	(i) Indigenous	55%	168,43,03,353	97%	228,32,98,426
	(ii) Imported	45%	138,70,64,893	3%	8,04,47,065
		100%	307,13,68,246	100%	236,37,45,491
t)	Value Stores and Spare Parts Consumed				
	(i) Indigenous	66%	4,64,27,784	95%	5,11,22,583
	(ii) Imported	34%	2,40,07,301	5%	27,22,470
		100%	7,04,35,085	100%	5,38,45,053
			Year ended 31.03.2013		Year ended 31.03.2012
u)	Expenditure in Foreign Currency in connection with :		Rs.		Rs.
	(i) Foreign Business Tour		58,30,417		43,70,764
	(ii) Professional Fees		—		52,23,204
	(iii) Commission expenses		1,96,39,438		2,68,97,815
	(iv) Interest expenses		1,14,43,326		—
	(v) Others		18,70,284		15,03,975
			3,87,83,465		3,79,95,758
v)	Earnings in Foreign Exchange in respect of :				
	(i) F. O. B value of Exports		40,08,21,877		265,265,535
	(ii) Interest income		—		13,66,190
	(iii) Others		8,07,994		17,04,210
			40,16,29,871		26,83,35,935
w)	C.I.F. Value of Imports :				
	(i) Raw Materials		12,48,36,267		7,45,79,023
	(ii) Machinery		1,22,06,024		97,11,535
			13,70,42,291		8,42,90,558
			2012-13		2011 - 12
x)	Dividend remitted to Non-resident Shareholders in Foreign Currency				
	(i) Number of Non – resident shareholders		20		15
	(ii) Number of Shares held by Non – resident shareholders		19,998		2,933
	(iii) Amount remitted for the year (Rs.)		39,996		5,866
	(iv) Financial year to which Dividend relates		2011 - 12		2010 - 11

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2013 (contd.)**

y) Statement containing financial information of Subsidiary Companies

(In terms of General Circular No. 2/2011 dated 8th April 2011 issued by the Ministry of Corporate Affairs)

Name of the subsidiary company	WPIL International Pte Limited *	Sterling Pumps Pty Limited #	Mathers Foundry Ltd ^	WPIL SA Holdings Pty Ltd. @	Mody Industries (F.C) Pvt Ltd
Currency	USD	AUD	GBP	ZAR	INR
Paid up capital	21,89,59,508	794	4,07,10,000	8,56,86,300	22,62,500
Reserve & Surplus	(4,56,18,886)	6,23,54,086	27,05,86,818	21,60,57,325	11,41,80,178
Total Assets	103,73,13,413	19,22,30,842	96,24,98,744	75,11,29,175	13,90,98,979
Total Liabilities	103,73,13,413	19,22,30,842	96,24,98,744	75,11,29,175	13,90,98,979
Turnover	4,88,26,236	29,44,99,109	102,37,72,372	105,12,16,000	20,74,46,765
Profit/(Loss) before tax	(2,66,98,428)	4,33,46,055	75,10,267	27,23,96,242	7,70,86,710
Tax provision	—	—	—	1,83,54,278	2,61,83,689
Profit/ Loss after Tax	(2,66,98,428)	4,33,46,055	75,10,267	25,40,41,963	5,09,03,021

* Converted into Indian Rupees at Exchange Rate, 1USD= Rs. 54.32 as on 29.03.2013

Converted into Indian Rupees at Exchange Rate, 1AUD= Rs. 56.32 as on 29.03.2013

^ Converted into Indian Rupees at Exchange Rate, 1GBP= Rs. 82.40 as on 29.03.2013

@ Converted into Indian Rupees at Exchange Rate, 1ZAR= Rs. 5.88 as on 29.03.2013

z) Previous year's figures have been rearranged / regrouped by giving effect of audited financial Statements since received for earlier years wherever found necessary.

Signature to Notes 1 to 27.

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

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

Place : Kolkata
Date : May 13, 2013

PRAKASH AGARWAL
K.K. GANERIWALA
U. CHAKRAVARTY

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

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH, 2013

	Year ended 31st March, 2013		Year ended 31st March, 2012	
	Rs.	Rs.	Rs.	Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit before Tax and Extraordinary Items		68,10,24,241		33,59,95,751
Adjustment for:				
(Profit) / Loss on sale of Fixed Assets	20,75,808		2,88,542	
Unrealised Exchange (Gain)/ Loss (net)	—		69,15,564	
Impact of Foreign Exchange Translation (Net)	(90,18,818)		5,56,415	
Depreciation	6,64,78,479		2,36,91,516	
Interest income	(81,96,039)		(35,52,634)	
Liabilities no longer required written back	—		(72,48,855)	
Negative Goodwill written back	—		(2,47,06,562)	
Government Grant amortised	—		(93,449)	
Bad debts / Advances / Claims written off	9,24,057		17,22,395	
Interest charge	14,00,79,297	19,23,42,783	9,23,78,716	8,99,51,648
Operating Profit before Working Capital Changes		87,33,67,024		42,59,47,399
Adjustment for:				
Trade and other receivables	(44,88,01,272)		(48,03,96,603)	
Inventories	(18,28,71,538)		(15,16,73,324)	
Trade payables	34,48,17,233	(28,68,55,577)	16,95,28,785	(46,25,41,142)
Cash Generated from Operations		58,65,11,447		(3,65,93,743)
Tax paid		(18,13,94,078)		(10,40,27,168)
Net Cash from Operating Activities		40,51,17,369		(14,06,20,911)
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Fixed Assets	(46,61,30,290)		(7,27,42,988)	
Sale of Fixed Assets	56,68,847		24,01,071	
Purchase of Investment in Subsidiaries	(24,50,06,125)		(22,58,72,875)	
Sale of Investments	1,76,42,760		—	
Loan Given	(31,73,82,270)		(10,18,945)	
Interest Received	50,56,574		19,64,953	
Net Cash used in Investing Activities		(100,01,50,503)		(29,52,68,784)

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2013

	Year ended 31st March, 2013		Year ended 31st March, 2012	
	Rs.	Rs.	Rs.	Rs.
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds from Long Term Borrowing	34,34,84,080		49,98,71,144	
Repayments of Long Term Borrowing	(17,32,907)		(17,24,984)	
Proceeds from Short Term Borrowing	88,39,78,669		10,38,23,544	
Repayments of Short Term Borrowing	(37,46,09,035)		(13,31,39,923)	
Minority Contribution	—		6,79,43,990	
Dividend paid	(7,79,48,942)		(1,61,45,991)	
Dividend Tax paid	(1,26,78,356)		(25,84,920)	
Interest paid	(13,91,62,463)		(8,74,10,429)	
Net Cash used in Financing Activities	62,13,31,047		43,06,32,431	
Net Increase/(Decrease) in Cash and Cash Equivalents	2,62,97,912		(52,57,264)	
Cash and Cash Equivalents (On Opening Date)	7,96,97,695		1,07,21,825	
Cash and Cash Equivalent added on Consolidation	1,88,57,714		7,42,33,134	
Cash and Cash Equivalents (On Closing Date)	12,48,53,321		7,96,97,695	

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement notified by the Companies (Accounting Standards)

	31.03.2013	31.03.2012
	Rs.	Rs.
2. Cash & cash equivalents include :		
– Cash in hand	29,26,676	40,56,002
– Cheque in hand	—	
– With Scheduled Banks :		
On Current Accounts	9,41,21,116	4,22,61,425
On Unclaimed Dividend A/C	7,44,369	5,40,401
On Margin Deposit A/cs		
On Fixed Deposit A/cs	50,00,000	1,50,07,020
Share of Joint Ventures	2,20,61,160	1,78,32,847
	12,48,53,321	7,96,97,695

- Previous year's figures have been regrouped/rearranged wherever found necessary.
This is the Cash Flow Statement referred to in our Report of even date.

	For V. Singhi & Associates		
	Chartered Accountants	PRAKASH AGARWAL	Managing Director
	Registration no. 311017E	K.K. GANERIWALA	Executive Director
	(V. K. SINGHI)	U. CHAKRAVARTY	General Manager (Finance)
Place : Kolkata	Partner		& Company Secretary
Date : May 13, 2013	Membership no. 50051		

AUDITORS' REPORT TO THE BOARD OF DIRECTORS

1. We have audited the attached consolidated Balance Sheet of WPIL Limited (the "Company") and its subsidiaries and joint ventures ; (collectively referred to as "the Group") as at 31st March, 2012, and also the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year ended on that date both annexed thereto. The Consolidated Financial Statements are the responsibility of the Company's management and have been prepared by the management on the basis of the separate Financial Statements and other financial information regarding components. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall Financial Statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. The Financial Statements of subsidiaries namely WPIL International Pte Limited (Singapore), Mathers Foundry Limited (United Kingdom) and Joint venture namely WPIL (Thailand) Co. Limited (Thailand) have not been audited by us. These Financial Statements have been audited by other auditors as appointed under the respective laws.
4. We have relied on the unaudited Financial Statements of the Subsidiary Company namely Sterling Pumps Pty Limited (Australia) and the Joint Venture Company namely Clyde Pump India Private Limited, their Financial Statements reflect the Group's share of Total Assets of Rs. 1,392.92 Lakhs as at 31st March, 2012 and the Group's share of Total Revenues of Rs. 2,096.75 Lakhs for the year ended on that date, and Net Cash Inflows of Rs. 333.54 Lakhs for the year ended on that date. These Financial Statements and other financial information have been derived from the Unaudited Financial Statements furnished to us and in our opinion, in so far as it relates to the amounts included in respect of the subsidiary and joint venture, is based solely on the "Fit for Consolidation Report" of the Management.
5. The Financial Statements of subsidiaries and joint ventures, whose financial statements reflect the Group's share of Total Assets of Rs.10,761.29 Lakhs as at 31st March, 2012 and the Group's share of Total Revenues of Rs. 7,200.24 Lakhs for the year ended on that date, and Net Cash Outflows of Rs. 123.49 Lakhs for the year ended on that date have not been audited by us.
6. The Financial Statements of the foreign entities have been restated, where considered necessary, to comply with Generally Accepted Accounting Principles in India. Disclosures in respect of the above mentioned Financial Statements are given to the extent of available information.
7. Our opinion on the figures included in the aforesaid results relating to subsidiaries and joint ventures to the extent not audited/reviewed by us have been formed based on the reports received by other auditors/management of the Company.
8. We report that the Consolidated Financial Statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard 21- "Consolidated Financial Statements" and Accounting Standard 27- "Financial Reporting of Interests in Joint Ventures" and other applicable Accounting Standards as notified by the Companies (Accounting Standard) Rules, 2006

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

Four Mangoe Lane
Surendra Mohan Ghosh Sarani
Kolkata 700 001

Date : 23rd June, 2012

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

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

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2012

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

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

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

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

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

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

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

1 SIGNIFICANT ACCOUNTING POLICIES

1. ACCOUNTING CONVENTION

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

2. PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENT

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

3. FIXED ASSETS AND DEPRECIATION

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

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

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

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

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

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

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

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

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

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

4. IMPAIRMENT OF ASSETS

The Company identifies impairable assets at the year end in accordance with the guiding principles of Accounting Standard - 28, issued by the Institute of Chartered Accountants of India, for the purpose of arriving at impairment loss thereon, being the difference in the book value and the recoverable value of the relevant assets. Impairment loss, when crystallises, are charged against revenues for the year.

5. LEASING

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

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

SIGNIFICANT ACCOUNTING POLICIES (contd.)

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

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

6. INVESTMENTS

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

7. INVENTORIES

Finished Goods and Components are valued at cost (Net of CENVAT Credit) or net realizable value, whichever is lower. Other inventories are valued at cost or net realizable value, whichever is lower.

Cost is determined on weighted average basis and includes expenditure incurred in the normal course of business in bringing stocks and finished goods to their location and condition including appropriate overheads wherever applicable.

Cost of own manufactured components is determined by considering raw material cost and proportionate share of labor and overheads.

Cost of Work-in-progress is determined by considering raw material cost plus labour and overheads apportioned on an estimated basis depending upon the stages of completion, except in case of a subsidiary company where it is valued at cost or realizable value whichever is lower.

8. RESEARCH & DEVELOPMENT EXPENSES

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

9. FOREIGN CURRENCY TRANSACTIONS

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

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

Non-monetary foreign currency items are carried at cost.

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

10. RETIREMENT BENEFITS

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

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

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

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

SIGNIFICANT ACCOUNTING POLICIES (contd.)

A subsidiary Company operates a defined contribution pension scheme and the pension charge represents the amount payable by the Company to the fund in respect of the period.

11. GOVERNMENT GRANTS

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

12. INCOME

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

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

13. FINANCIAL DERIVATIVES AND HEDGING TRANSACTIONS

Financial derivatives and hedging contracts are accounted on the date of their settlement, and realized gain/incurred loss in respect of contracts is recognized in the Statement of Profit and Loss along with the underlying transactions.

14. BORROWING COST

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

15. TAXES ON INCOME

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is calculated at current statutory income tax rates as applicable and is recognised on timing difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred tax assets subject to consideration to prudence are recognised and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

16. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the Financial Statements.

Cost of Product Warranties including provisions are included under the head "Miscellaneous Expenses", which includes cost of raw materials and components for free replacement of spares, and other overheads.

17. PRINCIPLES OF CONSOLIDATION

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

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

SIGNIFICANT ACCOUNTING POLICIES (contd.)

groups). The Consolidated Financial Statements are in conformity with Accounting Standard 21 on "Consolidated Financial Statements" and Accounting Standard-27 on "Financial Reporting of Interests in Joint Ventures" as notified under the Companies (Accounting Standards) Rules, 2006 and are prepared as set out below:

- a) The Financial Statements of the Company and its subsidiaries are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after adjustments/elimination of inter-company balances, transactions including unrealized profit etc.
- b) The Consolidated Financial Statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances in all material respect and are presented to the extent practicable and possible, in the same manner as the Company's separate financial statements.
- c) The difference between the cost of investments in the Subsidiaries, over its portion of equity at the time of acquisition of shares is recognized in the Consolidated Financial Statements as Goodwill or Capital Reserve, as the case may be.
- d) The translation of the functional currencies into Indian Rupees (reporting currency) is performed for equity in the foreign subsidiaries, assets and liabilities using the closing exchange rate at the Balance Sheet date, and for revenues, costs and expenses using average exchange rates prevailing during the period. The resultant exchange difference arising out of such transactions is recognized as part of equity (Foreign Currency Translation Reserve Account) by the Company until the disposal of investment.
- e) Interest in Joint Ventures is reported using proportionate consolidation method in the consolidated Financial Statements. A separate line item is added in the consolidated Financial Statements for proportionate share of assets, liabilities, income and expenses.

2 SHARE CAPITAL

(a) Authorised

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

(b) Issued, Subscribed and Paid Up

79,67,080	Ordinary Shares of Rs. 10/- each fully paid up	<u>7,96,70,800</u>
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31st March, 2012	
Rs.	Rs.

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

3 RESERVES AND SURPLUS

		31st March, 2012	
		Rs.	Rs.
a)	Capital Reserve on Re-issue of forfeited shares		3,500
b)	Capital Redemption Reserve		14,00,000
c)	Capital Reserve on Consolidation		2,07,34,076
d)	Revaluation Reserve		
	On Consolidation	69,49,109	
	Less: Transferred to Statement of Profit and Loss	14,09,611	55,39,498
e)	General Reserve		
	On Consolidation	19,37,15,302	
	Add : Transfer from Surplus	15,00,00,000	34,37,15,302
f)	Surplus		
	On Consolidation	20,96,69,021	
	Add : Excess provision for Tax on Dividend for the year 2011 written back	61,545	
		20,97,30,566	
	Add : Profit for the year as per Statement of Profit and Loss (Including Share of Joint Ventures Rs. 17,99,967/-)	22,38,03,122	
		43,35,33,688	
	Less : Appropriations		
	– Transfer to General Reserve	15,00,00,000	
	– Proposed Dividend	1,59,34,160	
	– Tax on Dividend	25,84,919	26,50,14,609
g)	Foreign Exchange Translation Reserve		
	– For the year		42,85,039
	Share of Joint Ventures		1,02,35,290
			65,09,27,313

4 LONG TERM BORROWINGS

Secured :

Term Loans:

a)	Vehicle Loans		
	– From Bank	51,49,854	
	Less : Repayable within one year	14,35,752	37,14,102
	– From Others	28,59,619	
	Less: Repayable within one year	—	28,59,619
b)	Others		33,46,15,894
	Unsecured :		
	– From Corporate Bodies		34,92,90,625
	Share of Joint Ventures		20,15,160
			69,24,95,400

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

5 DEFERRED TAX LIABILITIES (Net)

- a) Deferred Tax Liabilities :
– Depreciation on Fixed Assets

- b) Deferred Tax Assets :
– Employees Benefits
– Others

Share of Joint Ventures

31st March, 2012	
Rs.	Rs.
	3,15,10,242
40,85,219	
2,02,942	42,88,161
	(3,32,907)
	2,68,89,174

6 OTHER LONG TERM LIABILITIES

- Government grants

31st March, 2012	
	Rs.
	3,24,540
	3,24,540

7 LONG TERM PROVISIONS

- Leave Encashment

31st March, 2012	
	Rs.
	62,95,586
	62,95,586

**8 SHORT TERM BORROWINGS
LOANS REPAYABLE ON DEMAND**

- (a) Secured
Cash Credit from Banks

- (b) Unsecured
Short Term Loans from :
– Bank
– Others

Total

31st March, 2012	
	Rs.
	35,92,75,723
	35,92,75,723
	9,73,21,970
	19,07,82,166
	28,81,04,136
	64,73,79,859

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

9 TRADE PAYABLES

- a) Acceptances
- b) Sundry Creditors

Share of Joint Ventures

31st March, 2012	
	Rs.
	12,29,39,201
	76,26,14,585
	1,85,74,419
	<u>90,41,28,205</u>

10 OTHER CURRENT LIABILITIES

- a) Current Maturities of Vehicle Loans (Refer note 4)
- b) Advance from Customers
- c) Interest accrued but not due on loans
- d) Unclaimed Dividends
- e) Other Payables
 - Statutory Liabilities
 - Deposits
 - Others

Share of Joint Ventures

31st March, 2012	
Rs.	Rs.
	14,35,752
	19,34,33,564
	49,68,287
	5,40,401
3,18,22,898	
11,06,000	
<u>6,64,69,356</u>	9,93,98,254
	<u>38,20,832</u>
	<u>30,35,97,090</u>

11 SHORT TERM PROVISIONS

- a) For Proposed Dividend
- b) For Tax on Proposed Dividend
- c) For Leave Encashment
- d) For Warranties

Share of Joint Ventures

31st March, 2012	
	Rs.
	1,59,34,160
	25,84,919
	8,74,172
	1,01,86,108
	78,97,695
	<u>3,74,77,054</u>

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

12 FIXED ASSETS

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

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

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

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

16 Trade Receivables - Unsecured (Considered good)

a) Debts outstanding for a period exceeding six months

b) Other Debts

Share of Joint Ventures

31st March, 2012	
Rs.	Rs.
	2,147,12,779
	166,51,72,519
	2,75,15,284
	<u>190,74,00,582</u>

17 CASH AND CASH EQUIVALENTS

a) Balance with Banks :

– On Current Account

b) Cash - in - hand

c) Other Bank balances

– On Unclaimed Dividend Account

– On Bank Deposits with less than 12 months maturity

Share of Joint Ventures

31st March, 2012	
Rs.	Rs.
	4,22,61,425
	40,56,002
	5,40,401
	1,50,07,020
	1,78,32,847
	<u>7,96,97,695</u>

18 SHORT TERM LOANS AND ADVANCES - UNSECURED

(Considered good)

a) Others :

– Balance with Central Excise authority

– Balance with Sales tax authorities

– Balance with Customs authority

– Others

b) Advance payment of Income - Tax

(Net of Provision for Income Tax - Rs. 927 lacs.)

Share of Joint Ventures

31st March, 2012	
Rs.	Rs.
6,51,37,659	
1,91,15,011	
3,27,692	
<u>4,27,66,501</u>	12,73,46,863
	52,51,477
	76,00,335
	<u>14,01,98,675</u>

19 OTHER CURRENT ASSETS

– Interest Receivables

– Others

Share of Joint Ventures

31st March, 2012	
Rs.	Rs.
	16,18,570
	1,20,09,767
	1,04,260
	<u>1,37,32,597</u>

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

20 REVENUE FROM OPERATIONS

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

21 OTHER INCOME

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

22 COST OF RAW MATERIALS AND COMPONENTS CONSUMED

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

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

23 CHANGE IN INVENTORIES OF FINISHED GOODS & WORK IN PROGRESS

Opening Stock :

- Work-in-Progress
- Finished Goods

Closing Stock :

- Work-in-Progress
- Finished Goods

Share of Joint Ventures

Year ended 31st March, 2012	
Rs.	Rs.
10,53,95,813	
2,16,89,308	12,70,85,121
15,95,65,679	
1,16,82,556	17,12,48,235
	(34,19,420)
	(4,75,82,534)

24 EMPLOYEE BENEFIT EXPENSES

- a) Salaries and Wages
- b) Contribution to Provident and Other Funds
- c) Contribution to Employees State Insurance Scheme
- d) Staff Welfare Expense

Share of Joint Ventures

Year ended 31st March, 2012	
Rs.	Rs.
	30,13,67,985
	1,63,73,057
	24,28,934
	1,63,63,794
	2,38,40,310
	36,03,74,080

25 FINANCE COST

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

Share of Joint Ventures

Year ended 31st March, 2012	
Rs.	Rs.
	9,23,78,716
	3,19,92,644
	1,82,76,487
	4,53,123
	14,31,00,970

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

		Year ended 31st March, 2012	
		Rs.	Rs.
26 OTHER EXPENSES			
Consumption of Stores and Spare Parts			5,38,45,053
Excise Duty			9,50,777
Power and Fuel			6,06,68,323
Erection Expenses			8,89,27,563
Rent			1,45,51,442
Rates & Taxes			1,73,96,112
Postage & Telephone			63,42,111
Repairs to Machinery			1,78,42,631
Repairs to Buildings			50,24,955
Repairs to others			60,90,131
Insurance			1,71,97,765
Travelling Expenses			3,16,84,526
Loss on Commodity transactions (net)			15,63,853
Loss on Sale of Fixed Assets			2,88,542
Professional & Consultancy Fees			5,16,18,971
Carriage Outward			75,04,303
Advertisement			7,96,709
Claims & Compensations etc. paid			2,72,36,486
Bad Debts written off			12,14,266
Dealer Discount			1,53,88,873
Commission to other selling agents			3,86,19,250
Service Charges			66,47,861
Directors' Fees			72,000
Commission to Directors			4,00,000
Auditors' Remuneration			
– As Audit Fees	5,60,000		
– For Other Services	2,60,000		
– For Reimbursement of Expenses	35,000		
Miscellaneous Expenses			8,55,000
			5,43,43,660
Share of Joint Ventures			2,69,89,275
			<u>55,40,60,438</u>

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

27 OTHER INFORMATION

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

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

31st March, 2012

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

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

- The Assets of a subsidiary, Mathers Foundry Limited have been given as security to a bank in Singapore which provided finance to its holding company (WPIL International Pte Limited), in respect of the acquisition of the Company. The Company has also received working capital finance from the same bank.
- e) Accrued liability on account of Gratuity payable to the employees of the Company on retirement at future dates as per actuarial valuation as at 31st March, 2012 amounts to Rs. 2,19,47,713/-. A total sum of Rs. 4,79,06,560/- (including Rs 35,00,000/- during the current year) has been charged in the Financial Statements and paid to LIC by way of premium under Group Gratuity Scheme for its employees to cover current as well as past liability.
- f) Research and Development Expenses
- Research and Development Expenses relating to revenue nature aggregating to Rs. 66.97 lacs have been charged to respective heads of accounts in the Statement of Profit and Loss and relating to capital nature aggregating to Rs Nil have been debited to different heads in Fixed Assets in the Balance Sheet.

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

- g) Warranty costs are accrued at the time the products are sold. Based on past experience, the provision is discharged over the contractual warranty period from the date of sale. During the year, Rs. 72,50,892/- has been adjusted against the earlier provisions and Rs. 89,25,000/- have been provided.

h) Earnings Per Share

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

31st March, 2012

22,38,03,122
10
79,67,080
28.09

i) Related Party Transactions :

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

A) List of Related Parties

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

B) Disclosure of Transactions/Balances with Related Parties during the year

	Companies over which control/significant influence of key management personnel exists		Key Management Personnel of the Company
	Bengal Steel	HUL	
Sale of Products	—	85,75,282	—
Purchase of Goods	—	26,03,79,048	—
Dividend Paid	—	—	392,884
Rent Paid	48,00,000	30,80,000	—
Amenities Paid	—	13,72,366	—
Electricity Charges Paid	23,52,649	—	—
Remuneration, Commission and Sitting Fees			
– Mr. P. Agarwal	—	—	4,215,222
– Mr. K. K. Ganeriwala	—	—	2,928,896
– Mr. V. N. Agarwal	—	—	112,000
As at 31st March			
Trade Receivable	—	43,94,860	—
Trade Payable	—	10,88,50,640	—

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

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

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

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

k) Lease Commitments

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

l) Segment Reporting :

"The Group is primarily engaged in the business of design, development, manufacture, marketing, installation and servicing of vertical and horizontal pumps of various sizes required for lift irrigation/major irrigation schemes, thermal/nuclear power plants etc. and accordingly there is no business segment. However pursuant to recent acquisitions across various geographical locations with different political and economic environment, risks and rewards etc, the group after review has identified geographical segments as primary reporting format. "The geographical segments has been identified as India and Outside India."

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

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

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

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

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

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

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

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

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

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

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

Signature to Notes 1 to 27.

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

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

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

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2012

C. CASH FLOW FROM FINANCING ACTIVITIES

Proceeds from Long Term Borrowing	49,98,71,144	
Repayments of Long Term Borrowing	(17,24,984)	
Proceeds from Short Term Borrowing	10,38,23,544	
Repayments of Short Term Borrowing	(13,31,39,923)	
Minority Contribution	6,79,43,990	
Dividend paid	(1,61,45,991)	
Dividend Tax paid	(25,84,920)	
Interest paid	(8,74,10,429)	
Net Cash used in Financing Activities		43,06,32,431
Net Increase/(Decrease) in Cash and Cash Equivalents		(52,57,264)
Cash and Cash Equivalents (On Opening Date)		1,07,21,825
Cash and Cash Equivalent added on Consolidation		7,42,33,134
Cash and Cash Equivalents (On Closing Date)		7,96,97,695

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement notified by the Companies (Accounting Standards) Rule, 2006
- Cash & cash equivalents include :

	31.03.2012
– Cash in hand	40,56,002
– With Scheduled Banks :	
On Current Accounts	4,22,61,425
On Unclaimed Dividend A/C	5,40,401
On Fixed Deposit A/cs	150,07,020
Share of Joint Ventures	1,78,32,847
	7,96,97,695
- Comparative figures of previous year are not given as this is the first year of Consolidated Cash Flow Statement.
This is the Cash Flow Statement referred to in our Report of even date .

Place : Kolkata Date : June 23, 2012	For V. Singhi & Associates Chartered Accountants Registration no. 311017E (V. K. SINGHI) Partner Membership no. 50051	<table style="width: 100%; border: none;"> <tr> <td style="width: 50%;"> PRAKASH AGARWAL K.K. GANERIWALA U. CHAKRAVARTY </td> <td style="width: 50%; vertical-align: top;"> Managing Director Executive Director General Manager (Finance) & Company Secretary </td> </tr> </table>	PRAKASH AGARWAL K.K. GANERIWALA U. CHAKRAVARTY	Managing Director Executive Director General Manager (Finance) & Company Secretary
PRAKASH AGARWAL K.K. GANERIWALA U. CHAKRAVARTY	Managing Director Executive Director General Manager (Finance) & Company Secretary			

DECLARATION

The Company certifies that all relevant provisions of Chapter VIII and Schedule XVIII of the SEBI Regulations have been complied with and no statement made in this Placement Document is contrary to the provisions of Chapter VIII and Schedule XVIII of the SEBI Regulations and that all approvals and permissions required to carry on the Company's business have been obtained, are currently valid and have been complied with. The Company further certifies that all the statements in this Placement Document are true and correct.

Signed by:

Mr. Prakash Agarwal

MANAGING DIRECTOR

Date : December 12, 2014

Place : Kolkata

DECLARATION

We, the Board of Directors of the Company certify that:

- (i) the Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;
- (ii) the compliance with the Companies Act, 2013 and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government;
- (iii) the monies received under the offer shall be used only for the purposes and objects indicated in the Placement Document (which includes disclosures prescribed under Form PAS-4).

Signed by:

Mr. Prakash Agarwal

MANAGING DIRECTOR

I am authorized by the Board of Directors of the Company, vide resolution dated October 29, 2014 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoter subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed:

Date: December 12, 2014

Place: Kolkata

WPIL LIMITED

Registered and Corporate Office

Trinity Plaza, 3rd Floor, 84/1A, Topsia Road (South), Kolkata-700 046
Telephone No.: +91 33 3021 6800; Fascimile No.:+ 91 33 3021 6835; Website: www.wpil.co.in
CIN: L36900WB1952PLC02027

Compliance Officer

Mr. U. Chakravarty, Company Secretary
Trinity Plaza, 3rd Floor, 84/1A, Topsia Road (South), Kolkata-700 046
Telephone: +91 33 3021 6800/ 6813; Fascimile: +91 33 3021 6835; E-mail: uchakravarty@wpil.co.in

BOOK RUNNING LEAD MANAGER

EDELWEISS FINANCIAL SERVICES LIMITED

Edelweiss House,
14th Floor,
Off C.S.T. Road, Kalina,
Mumbai 400 098, Maharashtra, India

AUDITORS TO THE COMPANY

M/s. V. Singhi & Associates, Chartered Accountants

Four Mangoe Lane, Surendra Mohan Ghosh
Sarani, Gorund Floor
Kolkata – 700 001, West Bengal, India

LEGAL ADVISOR TO THIS ISSUE

As to Indian law

J. Sagar Associates

Vakils House, 18, Spratt Road, Ballard Estate
Mumbai 400 001, Maharashtra, India

As to International law

Duane Morris & Selvam LLP

16 Collyer Quay #17-00
Singapore 049318