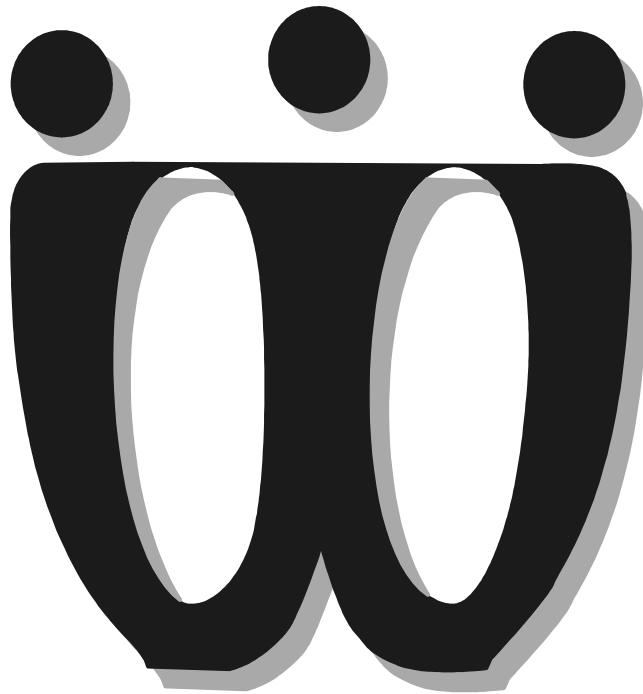


95<sup>th</sup> ANNUAL REPORT  
2014 - 2015



WALCHAND  
PEOPLEFIRST

WALCHAND PEOPLEFIRST LIMITED



DALE CARNEGIE®  
TRAINING



**PerformanSe**  
Man as direct participant in his own development



WALCHAND  
DALE CARNEGIE  
FINISHING SCHOOL

**BLANK**

## **BOARD OF DIRECTORS**

Ms. PALLAVI JHA - CHAIRPERSON & MANAGING DIRECTOR

Mr. SANJAY JHA

Mr. M.N. BHAGWAT

Dr. S.C. JHA (upto 25th January, 2015)

Mr. V.K.VERMA

Mr. RAJEEV DUBEY

Dr. VIJAY GUPCHUP

## **COMPLIANCE OFFICER**

Mr. VIVEK WADHAVKAR

## **AUDITORS**

M/s. K. S. AIYAR & CO.,

CHARTERED ACCOUNTANTS

## **BANKERS**

STANDARD CHARTERED BANK

HDFC BANK LTD.

## **REGISTERED OFFICE**

1, CONSTRUCTION HOUSE,

5, WALCHAND HIRACHAND MARG,

BALLARD ESTATE, MUMBAI- 400 001

TEL NO: 67818181

FAX: 22610574

Email: vivek@walchandgroup.com

Website : www.walchandpeoplefirst.com

## **REGISTRAR & TRANSFER AGENT**

M/s. COMPUTECH SHARECAP LIMITED

“COMPUTECH”, 147, MAHATMA GANDHI ROAD,

FORT, MUMBAI – 400 023

TEL : 22635001 /5002

FAX: 22635005

E-MAIL : helpdesk@compu-techsharecap.com

**INFORMATION FOR SHAREHOLDERS**  
**95<sup>th</sup> ANNUAL GENERAL MEETING**

DATE : FRIDAY, JULY 31, 2015  
TIME : 3:00 P.M.  
VENUE : KILACHAND CONFERENCE ROOM,  
INDIAN MERCHANTS' CHAMBER,  
IMC MARG, CHURCHGATE,  
MUMBAI - 400 020.  
DATE OF BOOK : JULY 24, 2015 To JULY 30, 2015  
CLOSURE (BOTH DAYS INCLUSIVE)

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## NOTICE

### NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE NINETY-FIFTH ANNUAL GENERAL MEETING OF WALCHAND PEOPLEFIRST LIMITED WILL BE HELD ON FRIDAY, JULY 31, 2015 AT 3.00 PM AT THE KILACHAND CONFERENCE ROOM, INDIAN MERCHANTS' CHAMBER, IMC MARG, CHURCHGATE, MUMBAI – 400 020 TO TRANSACT THE FOLLOWING BUSINESS:

#### Ordinary Business

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2015, the Reports of the Directors and Auditors thereon.
2. To declare a Final Dividend Re 1/- per equity share.
3. To appoint a Director in place of Ms. Pallavi Jha who retires by rotation and being eligible, offers herself for re-appointment;
4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:-  
“RESOLVED that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and read with Companies (Audit and Auditors) Rules, 2014 including any statutory modification, re-enactment and amendments made from time to time, consent of members be and is hereby accorded to re-appoint M/s. K. S. Aiyar & Co., Chartered Accountants, Mumbai, (ICAI Firm Registration No. 100186W), as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of this Annual General Meeting until the conclusion of the 100<sup>th</sup> Annual General Meeting subject to ratification of their appointment at every Annual General Meeting at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.

By order of the Board

Pallavi Jha  
Chairperson & Managing Director  
DIN:-00068483  
Address:- 201, Sterling Heritage 39,  
Ns Patkar Marg,,Gamdevi,  
Mumbai- 400007.

Place : Mumbai

Date : 6<sup>th</sup> May, 2015

Registered Office:

1, Construction House, 5,  
Walchand Hirachand Marg,  
Ballard Estate, Mumbai - 400 001.

Notes :

- 1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend the meeting and the proxy need not be a member of the Company. A proxy shall not vote except on a poll. The instrument appointing the proxy must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting;

- 2) A person appointed as proxy shall act on behalf of such member or number of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder;
- 3) The Register of Members and Transfer Books of the Company will be closed from 24<sup>th</sup> July, 2015 to 30<sup>th</sup> July, 2015, both days inclusive;
- 4) Subject to the provisions of Section 126 of the Companies Act, 2013 dividend as recommended by the Board of Directors declared at the meeting, will be payable after 31<sup>st</sup> July, 2015 to those Shareholders whose names stand on the Company's Register of Members on 23<sup>rd</sup> July, 2015 and to whom dividend warrants will be posted. In respect of Shares held in electronic form, the dividend will be paid on the basis of beneficial ownership position as at the end of the day on 23<sup>rd</sup> July, 2015 as per data to be furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) for this purpose.
- 5) Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, M/s. Computech Sharecap Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to M/s. Computech Sharecap Limited;
- 6) Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or M/s. Computech Sharecap Limited for assistance in this regard;
- 7) Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or M/s. Computech Sharecap Limited, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon;
- 8) In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote;
- 9) Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF): Pursuant to sections 205A and 205C and other applicable provisions, if any, of the Companies Act, 1956 and section 123 of Companies Act, 2013 all unclaimed/unpaid dividend, application money, debenture interest and interest on deposits as well as the principal amount of debentures and deposits, as applicable, remaining unclaimed/unpaid for a period of seven years

from the date they became due for payment, in relation to the Company have been transferred to the IEPF established by the Central Government. No claim shall lie against the IEPF or the Company for the amounts so transferred prior to March 31, 2015, nor shall any payment be made in respect of such claim;

- 10) In compliance with the provisions of section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all resolutions set forth in this Notice;
- 11) Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting;
- 12) Members/Proxies should fill the attendance slip for attending the meeting and bring their attendance slip along with their copy of Annual Report to the meeting. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting;
- 13) Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing such a representative to attend and vote on their behalf at the meeting;
- 14) All documents referred to in the notice are open for inspection at the registered office of the Company between Business hours on all working days up to the date of the Meeting;
- 15) Members are requested to address all correspondences, including dividend matters, to the Registrar and Share Transfer Agents, M/s. Computech Sharecap Limited, "Computech", 147, Mahatma Gandhi Road, Fort, Mumbai – 400 023, Tel No: 22635001-002, Fax No.: 22635005, Email :helpdesk@computechsharecap.com.
- 16) Members wishing to claim dividends, which remain unclaimed, are requested to correspond with Mr. Vivek Wadhavkar, Compliance Officer, at the Company's registered office. Members are requested to note that dividend not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, be transferred to the Investor Education and Protection Fund as per Section 205C of the Companies Act, 1956;
- 17) The following are the details of dividend paid by the Company and its respective due date of transfer of such fund to the Central Government, which remain unpaid:

Sr. No	Date of Declaration	Dividend for the year	Due date of transfer to the government
1	September 30, 2008	Final Dividend 2007-08	October 29, 2015
2	July 26, 2012	Final Dividend 2011-12	August 25, 2019
3	July 30, 2013	Final Dividend 2012-13	September 28, 2020

It may be noted that the claimant of the shares transferred above shall be entitle to claim the transfer of shares from Investor Education & Protection Fund in accordance with the procedure and submission of such documents as may

be prescribed. In view of the above, those Shareholders who have not encashed their dividend warrants are advised to send all the unclaimed dividend warrants to the Registrar & Share Transfer Agents or to the Registered Office of the Company for revalidation and encash them before the due date for transfer to the Central Government.

- 18) Particulars of the dividend transferred to the General Revenue Account of the Central Government i.e. Investor Education & Protection Fund during the Financial Year ended March 31, 2015 pursuant to Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978:

Sr. No.	Date of Declaration of Dividend	Dividend for the Financial Year	Amount transferred to Investor Education & Protection Fund (Rs.)	Date of Transfer to Investor Education & Protection Fund
1	July, 27, 2007	Final Dividend 2006-07	112,103/-	August 26, 2014

- 19) As per the provisions of the Companies Act, facility for making nominations is available for shareholders, in respect of the shares held by them. Nomination forms can be obtained from the Registrar and Share Transfer Agents of the Company;
- 20) Members seeking any information or clarifications on the Annual Report are requested to send in written queries to the Company at least one week before the meeting to enable the Company to compile the information and provide replies at the meeting;
- 21) Information under clause 49 of the listing agreement relating to directors retiring by rotation and seeking re-appointments given at Annexure I;
- 22) **E- voting:**  
In compliance with section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its Shareholders with facility to exercise their right to vote at the 95<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).  
The Company has signed an agreement with CDSL for facilitating e-voting to enable the shareholders to cast their vote electronically.  
**Process for E-Voting -**  
**The procedure and instructions for e-voting are as follows:**
  - i. Open your web browser during the voting period and log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com);
  - ii. Click on "Shareholders" tab to cast your votes;
  - iii. Now select the "COMPANY NAME" from the drop down menu and click on "SUBMIT";
  - iv. Now Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Image Verification as displayed and Click on Login.
  - v. If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps



- given below;  
vi. Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (in Capital) (Applicable for both demat shareholders as well as physical shareholders)	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio	

\*Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the demat account / folio number in the PAN field.

In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the Name in CAPITAL letter. Eg. If your name is Rakesh Kumar with folio number 100 then enter RA00000100 in the PAN field

# Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

- vii. After entering these details appropriately, click on "SUBMIT" tab;
- viii. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential;
- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice;
- x. Click on the EVSN for the relevant <Company Name> on which you choose to vote;
- xi. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution;
- xii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolutions;
- xiii. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote;
- xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote;
- xv. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page;

- xvi. If Demat account holder has forgotten the changed password then Enter the User ID and Image verification code and click on Forgot Password & enter the details as prompted by the system;
- xvii. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
- xviii. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@csdlindia.com](mailto:helpdesk.evoting@csdlindia.com)
- xix. After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- xx. The list of accounts should be mailed to [helpdesk.evoting@cdsl.com](mailto:helpdesk.evoting@cdsl.com) and on approval of the accounts they would be able to cast their vote.
- xxi. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same;

**In case of members receiving the physical copy:**

- 23) Please follow all steps from sr.no. (i) to sr.no (xxi) above to caste vote
- 24) The voting period begins from 9.00 a.m. on Monday 27<sup>th</sup> July, 2015 and ends on 5:00 p.m. on Thursday 30<sup>th</sup> July, 2015. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Wednesday, 15<sup>th</sup> July 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter;
- 25) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com);
- 26) M/s. Pramod S. Shah & Associates, Practicing Company Secretaries, has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding 3(three) working days from the conclusion of the e-voting period unblock the votes in the presence of at least 2(two) witness not in the employment of the Company and make a Scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company;
- 27) The results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizer's report shall be placed on the Company's website [www.walchandpeoplefirst.com](http://www.walchandpeoplefirst.com) and on the website of CDSL immediately after the result is declared by the Chairman

By order of the Board

Pallavi Jha  
Chairperson & Managing Director  
DIN:-00068483  
Address:- 201, Sterling Heritage 39,  
Ns Patkar Marg,,Gamdevi,  
Mumbai- 400007.

Place : Mumbai  
Date : 6<sup>th</sup> May, 2015

Registered Office:  
1, Construction House, 5,  
Walchand Hirachand Marg,  
Ballard Estate, Mumbai - 400 001.

## ANNEXURE 1

### INFORMATION UNDER CLAUSE 49 OF THE LISTING AGREEMENT RELATING TO DIRECTORS RETIRING BY ROTATION AND SEEKING RE-APPOINTMENT

#### **Ms. Pallavi Jha**

Pallavi Jha is the Chairperson & Managing Director of Dale Carnegie Training India, Walchand PeopleFirst Ltd.

Pallavi has diversified exposure to various management practices in areas such as training and development, HR, consulting and business restructuring, covering a wide range of industries from media, entertainment, technology to the financial services sector and the engineering industry. She is also a prominent voice for women's role in leadership and the Learning and Development industry.

Earlier, she was Executive Director of India's leading construction company, HCC, an erstwhile Walchand Group company before starting off her own ventures. She also worked briefly in market research at Feedback Ventures and Procter & Gamble.

After her stint with HCC, Pallavi turned her attention to new entrepreneurial ventures. In 2000, riding the dotcom wave, she promoted Cricketnext.com, which went on to become the second largest cricket website in the world and was the official website of the Cricket World Cup in 2003. She successfully sold it to TV 18 Group in 2007.

After the launch of Cricketnext, she trained her eyes on the legacy business of Walchand Capital, a leading NBFC and led the change in its business model into a financial training provider. She eventually transformed it into a Soft Skills training market leader in partnership with Dale Carnegie Training, which led to the rechristening of the company to Walchand PeopleFirst. She has singularly led the India operations into one of the fastest growing regions for Dale Carnegie Training, winning several global awards for training and sales excellence.

She has been a vocal spokesperson for industry associations, and has chaired and moderated panel discussions involving India's leading business leaders. She has played a pioneering role in setting up India's first Finishing School focused on soft - skills training, the missing ingredient in the talent development and employability challenge confronting Indian industry.

She has been a keynote speaker and a panel member in various forums on business, HR, training and leadership. She is an active member of the Confederation of Indian Industry and has held offices of the Chairperson for Maharashtra Council, CII and the Skills Development Committee for CII, Western Region, the National Council on Skills Development, CII and its National Subcommittee on School Education. Currently she is Chairperson, Indian Women's Network, Maharashtra, a CII initiative aimed at engaging, enabling and empowering women. Additionally, she has been part of women's groups, which has encouraged first generation women entrepreneurs into taking business initiatives.

Pallavi is an MBA from Syracuse University, New York with a specialization in Marketing and Market Research and a graduate in humanities from St Xavier's College, Mumbai.



## DIRECTORS' REPORT

To,  
The Members  
Walchand PeopleFirst Limited

Your Directors are pleased to present herewith the 95<sup>th</sup> Annual Report on the business and operations of your Company and Audited Accounts for the Financial Year ended March 31, 2015 together with the Audited Statement of Accounts and Auditor's Report thereon.

### The State of the Company's Affairs

#### 1. KEY FINANCIAL HIGHLIGHTS :

<i>Particulars</i>	For the Year ended 31 <sup>st</sup> March, 2015 (Rs. in lakhs)	For the Year ended 31 <sup>st</sup> March, 2014 (Rs. in lakhs)
Profit before interest, depreciation and taxation	210.87	139.05
Less: Interest	7.77	13.94
Less: Depreciation/Amortisation	41.06	40.83
Less: Provision for Taxation - Current / earlier years	55.06	43.02
Less: Deferred Tax recognized	(9.04)	(3.80)
Net Profit	116.02	45.06
Add: Balance brought forward	462.71	417.65
Less: Effect of Depreciation due to change in new companies act	13.53	-
Amount available for appropriation	565.20	462.71
Proposed Final Dividend	29.04	-
Dividend Tax	5.91	-
Balance carried to Balance Sheet	<u>530.25</u>	<u>462.71</u>

During the year under review your Company has reported a total income of Rs. 1,911.30 lakhs out of which non-operating income amounts to Rs. 105.87 lakhs which has decreased by Rs. 19.95 lakhs i.e. by 16 % as compared to the previous year. Income from operations is Rs. 1,805.43 lakhs which got increased by Rs. 279.61 lakhs i.e. by 18% as compared to the previous year.

#### 2. DIVIDEND:

Your Directors are pleased to recommend a final dividend of Re 1/- per equity share.

#### 3. TRANSFER TO RESERVES:

The Company has proposed to transfer Nil amount to the General Reserve out of amount available for appropriations.

#### 4. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO (SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013:

Particulars required to be furnished by the Companies as per Rule 8 of Companies (Accounts) Rules, 2014, are as follows:

A. Rule 8 Sub-Rule 3 (A) pertaining to Conservation of Energy and Sub-Rule 3 (B) pertaining to Technology absorption are not applicable to the Company.

#### B. Foreign exchange earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

(A) Expenditure In Foreign Currency	Financial Year ended 31.03.2015	Financial Year ended 31.03.2014
Royalty Remitted	149.07	150.51
Others	6.91	11.19
(B) Earning In Foreign Currency		
Professional Fees	15.60	58.96
Others	0.34	3.96

#### 5. MANAGEMENT DISCUSSION AND ANALYSIS:

**Industry Structure and Developments:** International rating agency Standard & Poor's has sharply revised India's growth forecast upwards to 7.9% for 2015-16, crediting the move to rising investment and fall in oil prices as it singled out the country in the region. Further, improvements in the fiscal and current account deficits and some forward movement on resolving structural bottlenecks have helped improve the business climate and make India attractive again to both domestic and foreign investors. India's economic prospects look promising but there are still many challenges. The industry and service sectors both expanded, inflation declined, and efforts to reduce bottlenecks in infrastructure investment buoyed sentiment and increased the country's attractiveness to foreign capital flows. Net portfolio investment inflow recovered strongly to more than \$35 billion.

The strong growth outlook is contingent on further acceleration in investment activity. Recent measures include accelerating environment clearances for infrastructure projects, easing the process of land acquisition for infrastructure and industrial corridors, allowing auction of coal mines to the private sector, and easing the compliance burden of labor laws on small and medium-sized industries.

The new monetary policy framework, under which the primary objective is to maintain price stability while remaining mindful of growth, would help in restraining inflation and improve the coordination between monetary and fiscal policy. The impetus given to capital expenditure in the recent budget will improve the expenditure mix significantly and bodes well for growth prospects. The government's "Make in India" campaign is expected to further boost manufacturing industries and urbanization.

One of India's most pressing policy challenges is to promote cities as engines of economic growth and jobs. To fully reap the benefits of urbanization, the government must make further efforts to coordinate urban and industry planning to attract industries into cities, and provide the necessary supporting infrastructure.

**Opportunities & Challenges :** While economic sentiment

is buoyant, availability and access to quality talent continues to be a serious impediment facing organizations. Your company is of the view that paucity of talent would continue to pose a problem over the next 5 years. India is betting big on manufacturing through the 'Make in India' initiative. However, the problem of attracting and retaining quality talent also remains a key challenge for the manufacturing sector. In this context, your company is addressing three key segments: 1) Corporate Training Segment which is our key business 2) Education segment where we have made some initial inroads to develop faculty and students so that they are made employable 3) CSR segment where we build capacities of corporate foundations and Not for Profits organizations who are working towards enhancing livelihoods for communities through skill development.

**Trainer Quality & Development:** As the India growth story gains momentum. The missing factor that could derail the skills initiative is the development of quality trainers who not only have to ensure quality of training but also build true market place competencies for life-long learning. In this emerging paradigm trainers should have a) Technical skills b) Soft Skills c) Pedagogy Skills d) Entrepreneurship development skills. In order to address this your company believes that trainers should be provided with a holistic blend of technical and soft skills training. Trainers form a critical part in the whole institutional delivery mechanism of skill development. Thus enhancing the knowledge and skills of trainers is imperative.

**A need for succession planning:** Rapidly growing industries, such as those driven by the rise of digital media, often rely on relatively young and inexperienced managers to take on senior positions. By and large, these individuals have not yet developed a leader's perspective. The growth of that talent pool has not kept pace with those of the brands. The ultimate result of this lack of qualified successors senior leaders are postponing retirement. Instead of developing and executing a clear succession plan, executives have been extending their tenure, lacking confidence that the next level of management is up to the task of leading.

**Looking for Leaders :** Companies have been so focused on growth that they have not invested in developing the next generation of executives. In a study by Harvard Business Publishing, an overwhelming 88 percent of top Indian companies cited "gaps in their leadership practice" as their top challenge in coming years. 15 to 18 percent of leadership positions in these companies will be unfilled-or will be filled by people underprepared for the jobs. The demand for preparing talent to be ready for leadership roles is increasing and presents an exciting opportunity for your company.

**Limited variety of experience at the top:** Without a strong leadership pipeline in place, star functional specialists are typically promoted to top roles. These individuals may have a background focused within one domain, and may not have had the opportunity to develop a broader perspective or set of skills. Some companies are now focusing towards targeted on-the-job experiences and in-depth training. But most companies have invested little in this type of executive

development. Thus, when functional specialists are promoted into general management positions, few are well prepared and motivated to handle their new roles.

**Skilling Mid Level Managers:** Traditionally, Indian companies operated in a markedly top-down manner-the person with the corner office made the final decisions, and senior managers oversaw their specific silos. Now it is giving way to a more participative approach, more resonant with the younger generation and more effective for companies that are too big to micromanage. But this new operating model can be effective only if skilled managers are available to fill the ranks. Young talent needs development and supervision, the lack of managers capable of providing this guidance has become more acutely felt.

**Workplace Readiness:** India lacks the educational institutions it needs, from the earliest years to the post-college level. Thousands of Indian university graduates entering the workforce every year, are often not "industry ready" or equipped in the skills of global business. This has contributed to a dearth of topnotch candidates and a growing talent war for those few with desirable skill sets.

**Insufficient training for new recruits:** Many Indian companies struggle with new-hire "on boarding" programs. Often, the incoming class of MBA recruits is not sufficiently integrated into the broader workforce, and companies put too much hope too early on these new hires' shoulders.

**The Next Generation:** Many Indian executives recognize the above challenges, but are unsure what steps to take to overcome them. Your company has the experience in replicating and implementing specific solutions that have been successful at Global companies and Indian companies instead of generic activities. Your company supports organizations in making talent management and development a key component of an enterprise building activity.

**CSR:** Given the enormous shift towards CSR, the question for corporates is not whether to engage in CSR, but to find the best possible way forward. Many of the professionals who are practicing CSR lack the skills required to craft and implement CSR programs. Further, CSR has become an opportunity to enhance employee engagement that reinforces employee's belief in the company's vision and business values. Dale Carnegie's research with NHRDN shows that highly engaged employees are more productive and have a positive impact on market capitalization of companies.

**Outlook, Risks & Control :** Using new data sources and a revised base year, the government announced new GDP estimates in January, which suggest that the Indian economy is much stronger than was previously believed, and that growth may be closer to that of China. The Union Budget for 2015-16, which provided a balanced policy framework aimed at supporting all sections of the economy. The business outlook for your company is optimistic as the macro-economic environment is expected to improve thereby enhancing industry investment. In this scenario a stable growth in business is expected.

**Cautionary Statement:** Your Company endeavors to perform and attempt to deliver the best at all times. However, the statements made in this report describing the Company's objectives, expectations or predictions shall be read in conjunction with the government policies as issued and amended from time to time, the micro as well as macroeconomic scenario prevailing at that time, global developments and such other incidental factors that may extend beyond the control of the Company and Management. Keeping this in view, the actual results may materially vary from those expressed in the statement.

**Internal Control Systems and their Adequacy :** Your Company ensures that appropriate risk management limits, control mechanisms and mitigation strategies are in place through its efficient and effective Internal Control System and the same completely corresponds to its size, scale and complexity of operations. The Company strives to put several checks and balances in place to ensure that confidentiality is maintained. Effective procedures and mechanisms are rolled out by a full-fledge Internal Audit System to ensure that the interest of the Company is safeguarded at all times. In addition to this, the Risk Assessment policy of the organization is reviewed on a quarterly basis by the Audit Committee / Board of Directors of your Company.

**Financial Performance:** Total income achieved during the year under review is INR 1911.30 lakhs as against INR 1651.65 lakhs in the previous year. Income from operations of the Company has been INR 1805.43 lakhs against INR 1525.82 lakhs in the previous year, showing an increase of 18.32%. After providing for taxation of INR 55.06 lakhs and by creating deferred tax asset of INR 9.04 lakhs, the net profit of the Company is INR 116.02 lakhs as against the profit after tax of INR 45.06 lakhs in the previous year. Operating Profit (Income from operations less direct expenses) of the Company for the current year is INR 403.84 lakhs as compared to INR 295.53 lakhs in the previous year, and hence has increased by 37% compared to the previous year, largely on account of increase in revenues.

**Human Resources:** While growth and success are the prime motto of your Company, at the same time it also realizes the importance of its intellectual capital. Continuous efforts are made to enhance manpower productivity through its comprehensive compensation and benefit plans for all its employees. In order to develop a healthy environment within the organization, we have a strong Performance Management System which ensures fairness and growth of all individuals. A comprehensive code of conduct has been developed for all employees which reinforces our work ethics. An average eight days of training per year for each employee is directed at enriching leadership, behavioral, functional and technical skills as well as bringing about a change in the attitude, knowledge and skill of employees. Thus, through this process of learning and concurrent rewarding, your Company aims to equip its employees with essential skills and competencies that would enable them to step the ladder of success.

**6. ANNUAL RETURN:**

The extract of Annual Return pursuant to Section 92 of the Companies Act, 2013 read with The Companies (Management and Administration) Rules, 2014 in the prescribed Form MGT-9 is hereby attached with this Report in Annexure I and is a part of this Report. The same is as on 31<sup>st</sup> March, 2015.

**7. FIXED DEPOSITS:**

The Company has not accepted any deposits within the meaning of Section 73(1) of the Companies Act, 2013 and the Rules made thereunder

**8. BOARD MEETINGS:**

The Board of Directors (herein after called as "the Board") met for four times during the Year under review:

Sr. No.	Date of Meetings	Venue and time of the meeting	Directors present	Directors to whom Leave of absence was granted
1.	28/04/2014	Construction House, 5-Walchand Hirachand Marg, Ballard Estate, Mumbai - 400 001 Time:12:30P.M.	1. Ms. Pallavi Jha 2. Mr. Sanjay Jha 3. Mr. M. N. Bhagwat 4. Mr. V. K. Verma 5. Dr. S. C. Jha	1. Dr. Vijay N. Gupchup 2. Mr. Rajeev Dubey
2.	30/07/2014	Construction House, 5-Walchand Hirachand Marg, Ballard Estate, Mumbai - 400 001 Time:11:30A.M.	1. Ms. Pallavi Jha 2. Mr. Sanjay Jha 3. Mr. M. N. Bhagwat 4. Mr. V. K. Verma 5. Dr. Vijay N. Gupchup 6. Mr. Rajeev Dubey	1. Dr. S. C. Jha
3.	31/10/2014	Construction House, 5-Walchand Hirachand Marg, Ballard Estate, Mumbai - 400 001 Time:12:30P.M.	1. Ms. Pallavi Jha 2. Mr. Sanjay Jha 3. Mr. M. N. Bhagwat 4. Mr. V. K. Verma 5. Dr. Vijay N. Gupchup 6. Dr. S. C. Jha.	1. Mr. Rajeev Dubey
4.	29/01/2015	Construction House, 5-Walchand Hirachand Marg, Ballard Estate, Mumbai - 400 001 Time:05:00P.M.	1. Ms. Pallavi Jha 2. Mr. Sanjay Jha 3. Mr. M. N. Bhagwat 4. Mr. V. K. Verma 5. Dr. Vijay N. Gupchup 6. Mr. Rajeev Dubey	None

**9. CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Changes in Directors and Key managerial personnel are as follows:

Sr. No	Name of the Director	Particulars	Date of resignation
1.	Dr. Satish Chandra Jha	Cessation due to death	25/01/2015



Sr. No	Name of the Key managerial personnel	Particulars	Date of Appointment
1.	Ms. Shruthi Patni	Taking on record the existing key managerial personnel (Chief Financial Officer)	31/10/2014

**10. STATEMENT ON DECLARATION GIVEN BY THE INDEPENDENT DIRECTORS UNDER SECTION 149 (6) OF THE COMPANIES ACT, 2013:**

Pursuant to Section 149 (4) of the Companies Act, 2013 read with The Companies (Appointment and Qualifications of Directors) Rules, 2014 the Central Government has prescribed that your Company shall have minimum two Independent Directors.

Your Company has following Independent Directors:

Sr. No.	Name of the Independent Director	Date of appointment/ Reappointment	Date of passing of special resolution (if any)
1.	Mr. M.N.Bhagwat	30/07/2014	30/07/2014
2.	Mr. V. K.Verma	30/07/2014	30/07/2014
3.	Dr. Vijay N. Gupchup	30/07/2014	30/07/2014
4.	Mr. Rajeev Dubey.	30/07/2014	30/07/2014
5.	Dr S. C. Jha. *	30/07/2014	30/07/2014

\* Dr. S.C. Jha expired on 25th January, 2015

With deep regret the Board informs you about the sad demise of Dr. S. C. Jha, Director of the Company. His contribution and guidance in the affairs of the Company is highly appreciated.

All the above Independent Directors meets the criteria of 'independence' prescribed under section 149(6) and have submitted declaration to the effect that they meet with the criteria of 'independence' as required under section 149(7) of the Companies Act, 2013.

**11. COMMITTEES OF BOARD:**

**I. Nomination and Remuneration Committee:**

The existing 'Nomination and Remuneration Committee' consists of three non-executive directors, all the directors being independent directors and the said constitution is in accordance with the provisions of Section 178 of the Companies Act, 2013. The Committee acts in accordance with the Terms of Reference as approved and adopted by the Board.

The Composition of the Committee is as under:

**Chairman:** Mr. V. K.Verma

**Members:** Mr. Rajeev Dubey, Mr. M.N.Bhagwat

**Remuneration Policy**

**Introduction**

The Company considers human resources as its invaluable assets. This policy on nomination and remuneration

of Directors, Key Managerial Personnel (KMPs) and other employees has been formulated in terms of the provisions of the Companies Act, 2013 and the listing agreement in order to pay equitable remuneration to the Directors, KMPs and employees of the Company and to harmonise the aspirations of human resources consistent with the goals of the Company.

**Objective and purpose of the policy:**

- To formulate the criteria for determining qualifications competencies, positive attributes and independence for appointment of Directors (Executive and Non-Executive) and recommend to the Board policies relating to the remuneration of the Directors, KMP and other employees;
- To formulate the criteria for evaluation of performance of all the Directors on the Board;
- To devise a policy on Board diversity;
- To lay out remuneration principles for employees linked to their effort, performance and achievement relating to the Company's goals and support the organization's business strategy, operating objectives and human capital needs.

**Constitution of Nomination and Remuneration Committee:**

The Board has constituted the Remuneration Committee on April 29, 2004. The nomenclature of the said Committee was change to "Nomination and Remuneration Committee" on 17<sup>th</sup> April, 2014. This is in line with the requirements of the Companies Act 2013. The Board has the authority to reconstitute the Committee from time to time.

**Terms of Reference of the Nomination and Remuneration Committee:**

The Nomination & Remuneration Committee is the subcommittee of the Board of Directors of the Company and the terms of reference of the Committee shall be decided by the Board from time to time.

The roles and responsibilities of the Nomination and Remuneration Committee shall be as follows:

- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- To identify persons who are qualified to become directors and who may be appointed in senior management and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
- To determine such policy, taking into account all factors which it deems necessary. The objective of such policy shall be to ensure that members of the executive management of the Company are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company;

- o To review the ongoing appropriateness and relevance of the remuneration policy;
- o To approve the design of any performance related pay schemes operated by the Company and approve the total annual payments made under such schemes;
- o To decide on all share incentive plans for approval by the Board and shareholders. For any such plans, determine each year whether awards will be made, and if so, the overall amount of such awards, the individual awards to executive Directors and other senior executives and the performance targets to be used;
- o To consider and make recommendations in respect of any other terms of the service contracts of the executives and any proposed changes to these contracts, and to review the company's standard form contract for executive directors from time to time;
- o To consider any other matters relating to the remuneration of or terms of employment applicable to the remuneration of the directors, key managerial personnel and other employees.

**Appointment of directors and Key Managerial Personnel:**

The Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a Director and KMP and recommending candidates to the Board, when circumstances warrant the appointment of a new Director and KMP, having regard to the experience and expertise as may be deemed appropriate by the Committee at the time of such recommendation.

**Term of appointment of directors:**

- a) **Managing director/Whole-time Director/Manager:**  
The Company shall appoint or re-appoint any person as its Managing Director, Whole-time Director or Manager for a term not exceeding five years at a time. No re- appointment shall be made earlier than one year before the expiry of term.
- b) **Independent directors:**
  - o An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
  - o No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
  - o At the time of appointment of Independent Director, it should be ensured that number of Boards on which such person serves is restricted to seven listed companies as an Independent Director; and in case such person is serving as a

Whole-time Director in any listed company the number of boards on which such person serves as Independent Director is restricted to three listed companies.

**Removal:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder of under any other applicable Acts, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director or KMP subject to the provisions and compliance of the said Act, rules and regulations.

**Retirement:**

The directors and KMP shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the directors and KMP after attaining the retirement age, for the benefit of the Company.

**Remuneration of Non-Executive Directors:**

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees as detailed hereunder: Non-Executive Directors shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies Managerial Remuneration Rules, 2014.

**Remuneration of Managing Director & CEO and Executive Director:**

- i. The remuneration/commission to the Managing Director and Executive Director will be determined by the Committee and recommended to the Board for approval.
- ii. The remuneration and commission and increments to be paid to the Managing Director and Executive Director shall be in accordance with the provisions of the Companies Act, 2013 and the rules made there under.
- iii. At the time of appointment or re-appointment, the Managing Director & CEO and the Executive Director shall be paid such remuneration (which may be mutually agreed between the Company (which includes the Nomination & Remuneration Committee and the Board of Directors) and the CEO & Managing Director and Executive Director within the overall limits prescribed under the Companies Act.
- iv. The remuneration shall be subject to the approval of the Members of the Company in General Meeting, as applicable.
- v. The remuneration of the Managing Director & CEO and Executive Director is broadly divided into fixed and variable components. The fixed compensation shall comprise salary, allowances, perquisites, amenities and retiral benefits. The variable component shall comprise of performance bonus/commission.
- vi. In determining the remuneration (including the

fixed increment and performance bonus/commission) the Nomination & Remuneration Committee shall consider the following:

- a. The relationship of remuneration and performance benchmarks is clear;
- b. Balance between fixed and variable pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
- c. Responsibility required to be shouldered by the Managing Director & CEO and Executive Director and the industry benchmarks and the current trends;
- vii. The Company's performance vis-à-vis the annual budget achievement and individual performance vis-à-vis the KRAs / KPIs

**Remuneration of Key Managerial Personnel and other employees:**

- i. In determining the remuneration of the KMPs and other employees, the Nomination & Remuneration Committee shall consider the following:
  - a. The relationship of remuneration and performance benchmark is clear;
  - b. Balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
  - c. The remuneration is divided into two components viz. fixed component of salaries, perquisites and retirement benefits and variable component of performance based incentive;
  - d. The remuneration including annual increment and performance incentive is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individuals performance vis-à-vis KRAs / KPIs, industry benchmark and current compensation trends in the market;
- ii. The Managing Director & CEO will carry out the individual performance review of the KMPs, based on the standard appraisal matrix and after taking into account the appraisal score card and other factors mentioned hereinabove and decide on the annual increment and performance incentive. The overall policy for such calculations will be explained to the Nomination & Remuneration Committee for its review and approval.
- iii. Such performance reviews will be carried out by the KMPs for other employees and discussed with the Managing Director & CEO to decide on the annual increments and performance incentives.

**Remuneration to Non- Executive / Independent Director:**

The Non- Executive / Independent Director may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof except Stakeholder Relationship Committee Meeting, for which no sitting fees shall be paid.

The sitting fees shall be paid as per the applicable

provisions of the Companies Act, 2013 and rules made there under.

**II. Audit Committee:**

The existing 'Audit Committee' consists of four directors with independent directors forming a majority and the said constitution in line with provisions of Section 177 of the Companies Act, 2013. The Audit Committee acts in accordance with the Terms of Reference specified by the Board in writing.

The Composition of the Committee is as under:

**Chairman:** Mr. M.N.Bhagwat

**Members:** Mr. Sanjay Jha, Mr. V.K. Verma and Dr. Vijay N. Gupchup

**12. THE VIGIL MECHANISM:**

Your Company believes in promoting a fair, transparent, ethical and professional work environment. The Board of Directors of the Company has established a Whistle Blower Policy & Vigil Mechanism in accordance with the provisions of the Companies Act, 2013 and the Listing Agreement for reporting the genuine concerns or grievances or concerns of actual or suspected, fraud or violation of the Company's code of conduct. The said Mechanism is established for directors and employees to report their concerns. The policy provides the procedure and other details required to be known for the purpose of reporting such grievances or concerns. The same is uploaded on the website of the Company.

**13. QUALIFICATION GIVEN BY THE AUDITORS:**

There are no qualifications, reservation or adverse remarks or disclaimers made by the Statutory Auditors of the Company in their report and by Secretarial Auditor, in their report.

**14. CONTRACT OR ARRANGEMENT WITH RELATED PARTIES:**

The company has entered into transactions with related parties in accordance with the provisions of the Companies Act, 2013 and the particulars of contracts or arrangements with related parties referred to in Section 188(1), as prescribed in Form AOC - 2 of the rules prescribed under Chapter IX relating to Accounts of Companies under the Companies Act, 2013, is appended as Annexure - II

**15. ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS:**

As required under section 178(2) of the Companies Act, 2013 and under Schedule IV to the Companies Act, 2013 on Code of conduct for Independent Directors, a comprehensive exercise for evaluation of the performances of every individual director, of the Board as a whole and its Committees and of the Chairperson of the Company has been carried by your company during the year under review as per the evaluation criteria approved by the Board and based on guidelines given in Schedule IV to the Companies Act, 2013.

For the purpose of carrying out performance evaluation exercise, three types of Evaluation forms were devised in which the evaluating authority has allotted to the individual Director, the Board as a whole, its Committees and the Chairperson appropriate rating on the scale of five (as the



Performance Evaluation Policy).

Such evaluation exercise has been carried out

- (i) of Independent Directors by the Board
  - (ii) of Non-Independent Directors by all the Independent Directors in separate meeting held for the purpose on 29<sup>th</sup> January, 2015
  - (iii) of the Board as a whole and its Committees by all the Independent Directors in separate meeting held for the purpose on 29<sup>th</sup> January, 2015
  - (iv) of the Chairperson of your Company by the Independent Directors in separate meeting held on 29<sup>th</sup> January, 2015 after taking into account the views of the Executive/ Non-Executive Directors
  - (v) of the Board by itself
- Having regard to the industry, size and nature of business your company is engaged in, the evaluation methodology adopted is, in the opinion of the Board, sufficient, appropriate and is found to be serving the purpose.

#### **16. AUDITORS:**

M/s. K. S. Aiyar & Co., Statutory Auditors of your Company, retires at the ensuing Annual General Meeting and are eligible for re-appointment. The Auditors have given their consent in writing and have furnished a certificate to the effect that their re-appointment, if made, would be in accordance with the provisions of Section 139(1) and that they meet with the criteria prescribed under section 141 of the Companies Act, 2013. Directors recommend their re-appointment in the ensuing Annual General Meeting.

#### **17. SECRETARIAL AUDITOR:**

Your Company had appointed M/s. Pramod S. Shah and Associates as a Secretarial Auditor of the Company, according to the provision of section 204 of the Companies, Act 2013 for conducting secretarial audit of Company for the financial year 2014 - 15.

M/s. Pramod S. Shah and Associates have issued their Audit report, the same is appended as Annexure III.

#### **18. DISCLOSURE OF REMUNERATION PAID TO DIRECTOR AND KEY MANAGERIAL PERSONNEL AND EMPLOYEES:**

- a. None of the employees of the Company is drawing remuneration in excess of the limits prescribed under Rule (5)(2), Chapter XIII as provided under Section 197 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- b. The further details with regard to payment of remuneration to Director and Key Managerial Personnel is provided in Form No. MGT 9- extract of annual return appended as Annexure I

#### **19. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to sub-section (5) of Section 134 of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained /received from the operating management, your Directors make the following statement and confirm that-

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **Acknowledgement**

Your Directors place on record their sincere gratitude for the assistance, guidance and co-operation the Company has received from all stake holders. The Board further places on record its appreciation for the dedicated services rendered by the employees of the Company.

For and on behalf of the Board

Pallavi Jha  
Chairperson & Managing Director

Place : Mumbai  
Date : 6<sup>th</sup> May, 2015

**ANNEXURE TO BOARD'S REPORT.**

**Annexure I Annual return**

**Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN**

as on the financial year ended **March 31, 2015**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS**

i)	CIN:-	L65993MH1920PLC000791
ii)	Registration Date –	06/07/1920
iii)	Name of the Company -	Walchand PeopleFirst Limited
iv)	Category / Sub-Category of the Company	Limited by shares
v)	Address of the Registered office and contact details	Construction House ,5-Walchand Hirachand Marg, Ballard Estate, Mumbai-400 001, Maharashtra 022-67818181
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Computech Sharecap Limited Computech “, 147 Mahatma Gandhi Road, Fort, Mumbai-400 023, Maharashtra. 91-22 22635001 , 91-22 22635002

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sr.No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Consulting and Training Services	99929199	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1.	Walchand and Company Private Limited	U99999MH1922PTC001028	Holding company	52.36%	2(87)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	8630	0	8630	0.30%	8630	0	8630	0.30%	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	1505974	0	1505974	51.86%	1520486	0	1520486	52.36%	0.5%
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other....	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (1):-</b>	<b>1514604</b>	<b>0</b>	<b>1514604</b>	<b>52.16%</b>	<b>1529116</b>	<b>0</b>	<b>1529116</b>	<b>52.66%</b>	<b>0.5%</b>
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
a) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	1514604	0	1514604	52.16%	1529116	0	1529116	52.66%	0.5%
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	2790	9310	12100	0.42%	2790	9310	12100	0.42%	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	29210	0	29210	1.01%	12453	0	12453	0.43%	0.58%
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	32000	9310	41310	1.42%	15243	9310	24553	0.85%	0.57%
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	118184	11270	129454	4.46%	97546	11250	108796	3.75%	8.71%
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	757882	279070	1036952	35.71%	746468	274540	1021008	35.16%	0.55%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	29580	149740	179320	6.18%	68427	149740	218167	7.51%	1.33%
c) Others (specify)	0	2250	2250	0.08%	0	2250	2250	0.08%	0
Sub-total (B)(2):-	905646	442330	1347976	46.42%	912441	437780	1350221	46.50%	0.08%
Total Public Shareholding (B)=(B)(1)+ (B)(2)	937646	451640	1389286	47.84%	927684	447090	1374774	47.34%	0.5%
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	2452250	451640	2903890	100.00%	2456800	447090	2903890	100.00%	0

ii) Shareholding of Promoter

SR. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Anuja Vivek Joshi	1620	0.06%	0	1620	0.06%	0	0
2	Kamalini Bahubali	5390	0.19%	0	5390	0.19%	0	0
3	Pallavi Sanjay Jha	1620	0.06%	0	1620	0.06%	0	0
4	Walchand And Company Pvt Ltd	1505974	51.86%	0	1520486	52.36%	0	0.5%
	<b>TOTAL</b>	<b>1514604</b>	<b>52.16%</b>	<b>0</b>	<b>1529116</b>	<b>52.66%</b>	<b>0</b>	<b>0.5%</b>

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1505974	51.86%	1505974	51.86%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	26 <sup>th</sup> February, 2015  Transfer 14,512	  0.50%	31 <sup>st</sup> March, 2015  Transfer 14,512	  0.50%
	At the End of the year	1520486	52.36%	1520486	52.36%

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

Sr. No.		Shareholding at the beginning of the year		Share holding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>For Each of the Top 10 Shareholders</b>				
	At the beginning of the year				
1.	Vivek Wadhavkar (Trustee)	88700	3.05%	88700	3.05%
2.	Pallavi Sanjay Jha (Trustee)	61040	2.10%	61040	2.10%
3.	Bennett, Coleman And Company Limited	54990	1.89%	0	0.00%
4.	The Oriental Insurance Company Limited	28150	0.97%	12453	0.43%
5.	Paras Mal Kothari	18690	0.64%	18690	0.64%
6.	Kruti Capital Services Pvt Ltd	18000	0.62%	18000	0.62%
7.	Karvy Stock Broking Limited.	17240	0.59%	0	0.00%
8.	Kanaklata Tibrewala	10890	0.38%	10890	0.38%
9.	Suprova Mitter	10000	0.34%	10000	0.34%
10.	Mayurdhvaj Dilipsingh Gohil	8000	0.28%	0	0.00%

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1620	0.06%	1620	0.06%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	1620	0.06%	1620	0.06%

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	62,22,270	60,00,000	0.00	1,22,22,270
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	3,230	0.00	0.00	3,230
<b>Total (i+ii+iii)</b>	<b>62,25,500</b>	<b>60,00,000</b>	<b>0.00</b>	<b>1,22,25,500</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	0.00	0.00	0.00	0.00
Reduction	62,25,500	60,00,000	0.00	1,22,25,500
<b>Net Change</b>	<b>62,25,500</b>	<b>60,00,000</b>	<b>0.00</b>	<b>1,22,25,500</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	0.00	0.00	0.00	0.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Ms. Pallavi Jha - Managing director	Mr. Sanjay Jha - Whole - time director	
1	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	35,64,000	34,15,500	69,79,500
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	16,87,900	14,85,000	31,72,900
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission/ Performance Pay	23,76,000	22,77,000	46,53,000
	- as % of profit	-	-	-
	- others, specify...			-
5	Others, please specify	-	-	-
	<b>Total (A)</b>	<b>76,27,900</b>	<b>71,77,500</b>	<b>1,48,05,400</b>
	Ceiling as per the Act	The total managerial remuneration payable in respect of financial year 2014-2015 shall not exceed eleven per cent of the net profit of the Company for financial year 2014-2015 or if the same exceeds, it shall be within the limits of Schedule V Part II of the Companies Act, 2013. The remuneration paid to Ms. Pallavi Jha is within the statutory limit as specified above.	The total managerial remuneration payable in respect of financial year 2014-2015 shall not exceed eleven per cent of the net profit of the Company for financial year 2014-2015 or if the same exceeds, it shall be within the limits of Schedule V Part II of the Companies Act, 2013. The remuneration paid to Mr. Sanjay Jha within the statutory limit as specified above.	

B. Remuneration to other directors:

Sr No.	Particulars of Remuneration	Mr. M N Bhagwat	Mr. V K Verma	Dr. V N Gupchup	Mr. Rajeev Dubey	Dr. S C Jha *	Total
1.	Independent Directors •Fee for attending board / committee meetings • Commission • Others, please specify	80,000	80,000	60,000	20,000	40,000	280,000
	<b>Total (1)</b>	<b>80,000</b>	<b>80,000</b>	<b>60,000</b>	<b>20,000</b>	<b>40,000</b>	<b>280,000</b>
2.	Other Non-Executive Directors •Fee for attending board / committee meetings • Commission • Others, please specify						
	<b>Total (2)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
	Total (B)=(1+2)	80,000	80,000	60,000	20,000	40,000	280,000
	Total Managerial Remuneration	80,000	80,000	60,000	20,000	40,000	280,000
	Overall Ceiling as per the Act	Sitting fee payable to the Director for attending the meeting of the Board or Committee shall not exceed one lakh rupees per meeting of the Board or Committee.					

\*Dr. S C Jha expired on 25<sup>th</sup> January, 2015



C. Remuneration To Key Managerial Personnel Other Than MD/MANAGER/WTD

Sr. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	29,28,190	29,28,190
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-Tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-
5.	Others, please specify - Incentive	-	-	75,000	75,000
	<b>Total</b>	-	-	<b>30,03,190</b>	<b>30,03,190</b>

Note: The post of CEO and Company Secretary are vacant.

VII.PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: - Not Applicable

Annexure – II Form AOC 2

**Form No. AOC-2**

*(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)*

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto**

**1. Details of material contracts or arrangement or transactions at arm's length basis :**

- a) Name(s) of the related party and nature of relationship: Ms. Maithili Jha daughter of Ms. Pallavi Jha and Mr. Sanjay Jha
- (b) Nature of contracts/arrangements/transactions: Salary
- (c) Duration of the contracts / arrangements/transactions: 1Year
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Appointed as Assistant Manager- Marketing with a CTC of Rs. 6,50,000/- per annum
- (e) Date(s) of approval by the Board, if any: 31/10/2014
- (f) Amount paid as advances, if any: NIL

**Annexure – III Secretarial Audit Report in Form MR-3**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2015**

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

To,  
The Members,  
Walchand PeopleFirst Limited

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

Based on our verification of Companies books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange;

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

**We further report that**

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

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

During the period of audit all the decisions in the Board Meetings were carried out unanimously.

We have relied on the representation made by the Company, its Officers and Reports of the Statutory Auditor, Internal Auditor for systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company as listed in Annexure 1.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. (as mentioned above and listed in Annexure I )

We further report that during the audit period there were no specific events/ actions having a major bearing on the Company's affairs.

*Place : Mumbai*  
*Date : 23/04/2015*

Sd/  
Pramod Shah-Partner  
Pramod S. Shah & Associates  
FCS No.: 334  
C.P No.: 3804

#### Annexure I

1. Employees' Provident Fund Act, 1952 and Rules
2. Professional Tax Act, 1975 and Rules
3. Payment of Gratuity Act, 1972
4. Employment Exchanges (Compulsory Notification of vacancies ) Act, 1959
5. Employees State Insurance Act, 1948
6. Equal Remuneration Act, 1976
7. Minimum Wages Act, 1948
8. Payment of Bonus Act, 1965
9. Shop and Establishment Act, 1948
10. Labour Welfare Fund Act, 1953
11. Maternity Benefit Act, 1961
12. Income Tax Act, 1961
13. Finance Act, 1994

## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2014-15

(As required under Clause 49 of the Listing Agreement with the Stock Exchange)

The Directors present the Company's report on Corporate Governance for the financial year ended March 31, 2015.

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate Governance is the application of best management practices, compliance of laws and adherence to ethical standards to achieve the Company's objective of enhancing stakeholder value and discharge of social responsibility. The Corporate Governance framework includes corporate structures, culture, policies and the manner in which the corporate entity deals with various stakeholders, with transparency being the key word. Accordingly, timely, adequate and accurate disclosure of information on the performance and ownership forms the cornerstone of Corporate Governance. It is a journey for constantly improving sustainable value creation and an upward moving target.

The Corporate Governance philosophy of M/s. Walchand PeopleFirst Limited is based on the following principles:

1. Management must have the executive freedom to drive the enterprise forward without undue restraints and Management is the trustee of the shareholders capital and not the owner. This freedom of management should be exercised within a framework of effective accountability.
2. Provide an enabling environment to harmonise the goals of maximizing stakeholder value and maintaining a customer centric focus.
3. Have a simple and transparent corporate structure driven solely by business needs.
4. Communicate externally, in a truthful manner, about how the Company is running internally.
5. Make clear distinction between personal conveniences and corporate resources.
6. Be transparent and maintain a high degree of disclosure levels in all facets of its operations.
7. Satisfy the spirit of the law and not just the letter of the law.
8. Our philosophy on Corporate Governance is thus concerned with the ethics, values and morals of Walchand PeopleFirst Limited and its Directors, who are expected to act in the best interests of the Company and remain accountable to shareholders and other beneficiaries for their action.

### 2. BOARD OF DIRECTORS:

Walchand PeopleFirst Limited has a very balanced and diverse Board of Directors, who actively participates at the Board and Committee Meetings by providing valuable guidance to the Management on various aspects of business, policy direction, governance, compliance etc. and play critical role on strategic issues.

#### a. Composition of the Board

The name and category of Director on the Board and the number of Directorship held by them in other Company are given herein below:

Sr. No.	Name of Directors	Category	No. of Directorships in each Companies		No. of Membership/ Chairmanship of other Board Committees	
			Public	Private	Member	Chairman
1.	Ms. Pallavi Jha	Chairperson and Managing Director	-	2	-	-
2.	Mr. Sanjay Jha	Whole Time Director	-	2	-	-
3.	Mr. M. N. Bhagwat	Independent Non-Executive	3	-	-	-
4.	Mr. V. K. Verma	Independent Non- Executive	-	-	-	-
5.	Dr. Vijay N. Gupchup	Independent Non- Executive	4	1	-	-
6.	Mr. Rajeev Dubey	Independent Non- Executive	6	3	1	2

#### b. Attendance at Board Meeting and Annual General Meeting :-

During the financial year 2014 - 15, 4 Board Meetings were held on April 28, 2014, July 30, 2014, October 31, 2014 and January 29, 2015.

The Annual General Meeting of the Company for the financial year 2013 - 14 was held on July 30, 2014.

Attendance at Board Meeting and last Annual General Meeting:-

Name of Directors	No. of Board Meetings attended	Attendance at last AGM
Ms. Pallavi Jha	4	Present
Mr. Sanjay Jha	4	Present
Mr. M.N. Bhagwat	4	Present
*Dr. S.C. Jha	2	Absent
Mr. V.K.Verma	4	Present
Dr. V.N. Gupchup	3	Present
Mr. Rajeev Dubey	2	Present

\* Dr. S.C. Jha expired on 25<sup>th</sup> January, 2015

**c. Board's Functioning & Procedures: -**

The Board has complete access to any information within the Company. At meetings of the Board, it welcomes the presence of Senior Management who can provide additional insights into the items being discussed.

The items placed at the Meeting of the Board include the following:-

- Unaudited Quarterly/Half Yearly financial results and Audited Annual Accounts of the Company, results and capital employed, for consideration and approval,
- Minutes of Meetings of Audit Committee, Stakeholders relationship Committee /Share Holders Grievance Committee and Nomination and Remuneration Committee.
- Abstracts of circular resolutions passed,
- General notices of interest,
- Sale and/or purchase of investments, fixed assets,
- Review compliance of all laws applicable to the Company including the requirements of the Listing Agreement with the Stock Exchanges and steps taken by the Company to rectify instances of non compliances, if any,
- Related party transactions,
- Reviewing the Company's Financial and Risk Management policies,
- Reviewing the business plan and strategy of the Company,

All the items in the Agenda are accompanied by notes giving comprehensive information on the related subject and in certain matters such as financial /business plans and financial results, detailed presentations are made. The Agenda and the relevant notes are sent in advance separately to each Director to enable the Board to take informed decisions. The Minutes of the Meetings of the Board are circulated through email to all Directors and confirmed at the subsequent Meeting. The Minutes of the Audit Committee, Nomination and Remuneration Committee and Stakeholder's relationship Committee / Shareholders' Grievance Committee are also circulated through email to all Directors and thereafter tabled for discussion at the subsequent Board Meeting.

**3. AUDIT COMMITTEE:**

Audit committee acts as a link between the Statutory and Internal Auditors and the Board of Directors. The primary objective of the Audit Committee is to provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures.

**a. Size and Composition:-**

The Board constituted an Audit Committee of Directors on April 26, 2001.

The composition of the Audit Committee as on March 31, 2015 is as under:-

1. Mr. M.N. Bhagwat, Non-Executive Independent Director as Chairman;
2. Mr. V.K. Verma, Non-Executive Independent Director as Member;
3. Mr. Sanjay Jha, Whole-Time Director as Member;
4. Dr. Vijay N. Gupchup, Non-Executive Independent Director as Member

The Members of the Committee are well versed in finance / accounts, legal matters and general business practices.

**b. Attendance at the Audit Committee Meetings:-**

During the accounting year 2014 - 15, 4 Audit Committee Meetings were held on April 28, 2014, July 30, 2014, October 31, 2014 and January 29, 2015.

Name of Members	No. of Audit Committee Meetings attended
Mr. M.N. Bhagwat	4
Mr. V.K. Verma	4
Mr. Sanjay Jha	4
*Dr. S.C. Jha	2
Dr. Vijay N. Gupchup	3

\* Dr. S.C. Jha expired on 25<sup>th</sup> January, 2015

**c. The terms of reference of the Audit Committee are as follows:-**

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions;



- g. Qualifications in the draft audit report;
- 5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- 7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- 8. Approval or any subsequent modification of transactions of the company with related parties;
- 9. Scrutiny of inter-corporate loans and investments;
- 10. Valuation of undertakings or assets of the company, wherever it is necessary;
- 11. Evaluation of internal financial controls and risk management systems;
- 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 14. Discussion with internal auditors of any significant findings and follow up there on;
- 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- 16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 18. To review the functioning of the Whistle Blower mechanism;
  - Every listed company or such class or classes of companies, as may be prescribed, shall establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed;
  - The vigil mechanism under sub-section (9) shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases;
- 19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- 20. The Audit Committee shall mandatorily review the following information:
  - a. Management discussion and analysis of financial condition and results of operations;
  - b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - d. Internal audit reports relating to internal control weaknesses; and
  - e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
- 21. The Audit Committee shall have powers, which should include the following:
  - a) To investigate any activity within its terms of reference:
    - The Audit Committee shall have authority to investigate into any matter in relation to the items specified in sub-section (4) or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the company;
  - b) To seek information from any employee;
  - c) To obtain outside legal or other professional advice;
  - d) To secure attendance of outsiders with relevant expertise, if it considers necessary.
- 22. The Audit Committee of the listed holding company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary company;
- 23. All Related Party Transactions shall require prior approval of the Audit Committee:
  - Approval or any subsequent modification of transactions of the company with related parties;
- 24. When money is raised through an issue (public issues, rights issues, preferential issues etc.), the company shall disclose the uses / applications of funds by major category (capital expenditure, sales and marketing, working capital, etc), on a quarterly basis as a part of their quarterly declaration of financial results to the Audit Committee.

Further, on an annual basis, the company shall prepare a statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and place it before the audit committee. Such disclosure shall be made only till such time that the full money raised through the issue has been fully spent. This statement shall be certified by the statutory auditors of the company. Furthermore, where the company has appointed a monitoring agency to monitor the utilization of proceeds of a public or rights issue, it shall place before the Audit Committee the monitoring report of such agency, upon receipt, without any delay. The audit committee shall make appropriate recommendations to the Board to take up steps in this matter.

All the items in the Agenda are accompanied by notes giving comprehensive information on the related subject and in certain matters such as financial results, detailed presentations are made. The Agenda and the relevant notes

are sent in advance separately to each Member to enable the Committee to take informed decisions.  
The Minutes of the Meetings of the Committee are circulated through email to all Members and confirmed at the subsequent Meeting.

**4. NOMINATION AND REMUNERATION COMMITTEE:**

The purpose of the Committee shall be to discharge the Board's responsibilities relating to formulation of compensation plans and policies of the Company's Executive Directors.

**a. Size and Composition:-**

The Board constituted Remuneration Committee of Directors on April 29, 2004.

The composition of the Nomination and Remuneration Committee as on March 31, 2015 is as under:-

1. Mr. V. K. Verma, Non- Executive Independent Director was appointed as a Chairman of the Remuneration Committee with effect from May 18, 2012;
2. Mr. M.N.Bhagwat, Non-executive Independent Director as Member;
3. Mr. Rajeev Dubey, Non- Executive Independent Director was appointed as a Member of the Remuneration Committee with effect from May 18, 2012.

**b. The terms of reference of the Nomination and Remuneration Committee include the following:-**

- 1) To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- 2) To identify persons who are qualified to become directors and who may be appointed in senior management and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
- 3) To determine such policy, taking into account all factors which it deems necessary. The objective of such policy shall be to ensure that members of the executive management of the Company are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company;
- 4) To review the ongoing appropriateness and relevance of the remuneration policy;
- 5) To approve the design of any performance related pay schemes operated by the Company and approve the total annual payments made under such schemes;
- 6) To decide on all share incentive plans for approval by the Board and shareholders. For any such plans, determine each year whether awards will be made, and if so, the overall amount of such awards, the individual awards to executive Directors and other senior executives and the performance targets to be used;
- 7) To consider and make recommendations in respect of any other terms of the service contracts of the executives and any proposed changes to these contracts, and to review the company's standard form contract for executive directors from time to time;
- 8) To consider any other matters relating to the remuneration of or terms of employment applicable to the remuneration of the directors, key managerial personnel and other employees.

**c. Attendance at the Nomination and Remuneration Committee Meetings:-**

The Committee has not conducted any meeting during the financial year 2014 – 2015.

**d. Disclosure of Remuneration paid :-**

At present, Non-executive and Independent Directors are not paid any remuneration except sitting fees for attending Board Meetings/Audit Committee Meetings/ Remuneration Committee Meetings.

Details of remuneration paid to Directors during the financial year ended March 31, 2015 are as under:

(Amt in Lacs)

Name of Directors	Salary and Commission	Contribution To P.F. Gratuity and Superannuation Fund	Perquisites	Performance Pay	Sitting Fees	Total
Ms. Pallavi Jha	35.64	11.34	16.88	23.76	-	87.62
Mr. Sanjay Jha	34.16	10.86	14.85	22.77	-	82.64
Mr. M.N. Bhagwat	-	-	-	-	0.80	0.80
Dr. S. C. Jha *	-	-	-	-	0.40	0.40
Mr. V.K.Verma	-	-	-	-	0.80	0.80
Dr. V.N. Gupchup	-	-	-	-	0.60	0.60
Mr. Rajeev Dubey	-	-	-	-	0.20	0.20

\* Dr. S.C. Jha expired on 25<sup>th</sup> January, 2015

Note: - Except Ms. Pallavi Jha who is Chairperson and Managing Director and Mr. Sanjay Jha who is Whole Time Director, all the other Directors are Non- Executive Directors.

**5. STAKEHOLDER'S RELATIONSHIP COMMITTEE / SHAREHOLDERS' GRIEVANCE COMMITTEE:**

The Committee has the mandate to review, redress shareholders' grievances and to approve all share transfers.

**a. Size and Composition:-**

The Company reconstituted Shareholders Grievance Committee in July, 2001 to specifically look into the redressal of the shareholder's grievances and also the share transfers and other investor related matters.

The composition of the Shareholders Grievance Committee as on March 31, 2014 is as under:-

1. Mr. V. K. Verma, a Non-Executive Director as the Chairman;
2. Mr. Sanjay Jha - Whole-Time Director as Member;
3. Ms. Pallavi Jha- Chairperson & Managing Director as Member

Mr. Vivek Wadhavkar, Senior Manager (Accounts and Finance) has been designated as the Compliance Officer.

**b. Meeting of the Stakeholder's Relationship Committee / Shareholders' Grievance Committee Meetings:-**

During the accounting year 2014 - 2015, 16 Meetings of the Stakeholder's Relationship Committee / Shareholders' Grievance Committee were held on 19<sup>th</sup> April, 2014, 3<sup>rd</sup> May, 2014, 10<sup>th</sup> May, 2014, 7<sup>th</sup> June, 2014, 6<sup>th</sup> September, 2014, 20<sup>th</sup> September, 2014, 27<sup>th</sup> September, 2014, 1<sup>st</sup> November, 2014, 8<sup>th</sup> November, 2014, 29<sup>th</sup> November, 2014 and 6<sup>th</sup> December, 2014, 31<sup>st</sup> January, 2015, 7<sup>th</sup> February, 2015, 21<sup>st</sup> February, 2015, 28<sup>th</sup> February, 2015 and 21<sup>st</sup> March, 2015.

**c. The functions of the Stakeholder's Relationship Committee / Shareholders' Grievance Committee Meetings include the following:-**

- Transfer /Transmission of shares,
- Issue of duplicate share certificates,
- Review of shares dematerialized and all other related matters,
- Monitors expeditious redressal of investors' grievances,
- Non receipt of Annual report and declared dividend,
- All other matters related to shares.

**d. Investor Grievance Redressal:**

Number of complaints received and resolved to the satisfaction of investors during the year under review and their break-up are as under:

Type of Complaints	No. of complaints
Non Receipt of Annual Reports	-
Non Receipt of Dividend Warrants	-
Non Receipt of Shares lodged for Transfer/Exchange	-
Non Receipt of Certificates	-
Others (Duplicate/Transmission/Procedure etc.)	-
<b>TOTAL</b>	<b>-</b>

All valid share transfers received during the accounting year ended March 31, 2015 have been acted upon. There were no share transfers pending as on March 31, 2015, for more than 30 days.

The Stakeholder's Relationship Committee / Shareholders' Grievance Committee Meetings attends the matters related to Share Transfers and Transmission. This Committee has three Members, namely, Ms. Pallavi Jha, Chairperson & Managing Director, Mr. Sanjay Jha, Whole Time Director and Mr. V. K. Verma, Independent Non-Executive Director. Mr. Vivek Wadhavkar is designated as Compliance Officer. The three members were present in all Sixteen Meetings held during the year.

**6. GENERAL BODY MEETINGS:**

**a. The particulars of last three Annual General Meetings are as under:-**

Financial Year	Day and Date	Location	Time	Special resolution passed
2011-2012	Thursday, July 26, 2012	Killachand Conference Hall Indian Merchant Chambers, IMC Marg, Churchgate, Mumbai 400 020	3:00 P.M.	No special Resolution was passed
2012-2013	Tuesday, July 30, 2013	Walchand Hirachand Hall, Indian Merchants' Chambers, IMC Marg, Churchgate, Mumbai – 400 020	3:00 P.M.	No special Resolution was passed
2013-2014	Wednesday, July 30, 2014	Walchand Hirachand Hall, Indian Merchants' Chambers, IMC Marg, Churchgate, Mumbai – 400 020	3:00 P.M.	a. Re-appointment of Ms. Pallavi Jha, as Managing Director b. Re-appointment of Mr. Sanjay Jha, as Whole-time Director

**b. Details of resolution passed through postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern.**

During the year under review, no resolution has been passed through the exercise of postal ballot.

## 7. DISCLOSURES:

- There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large.
- The Company has complied with the requirements of the Bombay Stock Exchange (BSE), the Securities and Exchange Board of India (SEBI) and Statutory Authorities on all matters related to capital markets and no penalties / strictures were imposed on the Company during the last three years.
- The Company has adopted a Whistle Blower Policy and has established the necessary mechanism for employees to report concerns about unethical behavior.
- During the year the following amounts were transferred to the Investor Education and protection fund :-

Particulars	Date of transfer	Amount (INR)
Matured Deposits	NIL	NIL
Interest on Matured Deposits	NIL	NIL
Matured Deposits	NIL	NIL
Interest on Matured Deposits	NIL	NIL
Matured Deposits	NIL	NIL
Unpaid Dividend	August 26, 2014	INR 112,103/-

- Adoption of non mandatory requirements under Clause 49 of the Listing Agreement is being reviewed by the Board from time to time.

## 8. MEANS OF COMMUNICATION:

- The Quarterly and Half-Yearly results of the Company are published in English and Marathi National dailies. The Financial results are also displayed on the website of the Company [www.walchandpeoplefirst.com](http://www.walchandpeoplefirst.com)
- The Management Discussion and Analysis Report forms a part of this Annual Report, which is sent to each member by post.
- The Company informs the Stock Exchange all price sensitive matters or such other matters which are material and of relevance to the shareholders.

## 9. GENERAL SHAREHOLDER INFORMATION:

### I. Annual General Meeting:

- Date : 31<sup>st</sup> July, 2015
- Time : 3.00 P.M.
- Venue : The Kilachand Conference Room, Indian Merchants' Chamber, Imc Marg, Churchgate, Mumbai – 400 020.

### II. Financial Calendar : 2014-2015

- Financial Calendar
  - Quarter ending June 30, 2015 By 14<sup>th</sup> August, 2015
  - Quarter/Half year ending September 30, 2015 By 14<sup>th</sup> November, 2015
  - Quarter ending December 31, 2015 By 14<sup>th</sup> February, 2016
  - Quarter/Year ending March 31, 2016 By 30<sup>th</sup> May, 2016
- Date of Book Closure: July 24, 2015 to July 30<sup>th</sup>, 2015 (both days inclusive).
- Dividend Payment: Company recommends a final dividend of Re 1/- per equity share.

### III. Market information

- Listing on Stock Exchange : The Bombay Stock Exchange Limited
- Listing fee for the year 2014-15 has been paid to the Stock Exchange.
- Stock Code- Physical : 501370 on The Bombay Stock Exchange Limited
- ISIN No. NSDL & CDSL : INE695D01021
- Market Price Data : High / Low price during each Month of 2014-15 on The Bombay Stock Exchange Limited and BSE Sensex are as under:

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades	Total Turnover (Rs.)	Deliverable Quantity	% Deli. Qty to Traded Qty	Spread High-Low	Spread Close-Open
Apr-14	40	50.8	40	41.1	35621	847	1595622	23494	65.96	10.8	1.1
May-14	43.45	68	38.45	66.35	54632	1397	3118859	39200	71.75	29.55	22.9
Jun-14	67	73.8	58	70.1	80565	2234	5341587	72354	89.81	15.8	3.1
Jul-14	70	70	48.1	48.15	23279	549	1296658	23279	100	21.9	-21.85
Aug-14	47.9	52.65	44.75	46	26984	828	1276083	23015	85.29	7.9	-1.9
Sep-14	48.25	51.5	42.15	44.9	50217	1335	2381218	37761	75.2	9.35	-3.35
Oct-14	43	82.45	42.25	80.85	129858	2893	8674521	75203	57.91	40.2	37.85
Nov-14	84	107.5	83	92.25	156070	3344	14953959	113266	72.57	24.5	8.25
Dec-14	93.4	96	74.05	86.5	64022	2100	5432482	45627	71.27	21.95	-6.9
Jan-15	85.5	110	80	87.35	334231	9425	32914193	143810	43.03	30	1.85
Feb-15	80.6	99	76.6	89.2	84803	2226	7713244	56036	66.08	22.4	8.6
Mar-15	88.2	94.5	61.25	68.45	46820	1158	3582082	35794	76.45	33.25	-19.75



#### IV. Share Transfer System and other related matters:

- Registrar and Share Transfer Agent :  
For both physical & demat segments:  
M/s. Computech Sharecap Limited.  
“Computech”, 147, Mahatma Gandhi Road,  
Fort, Mumbai – 400 023  
Tel No: 22635001-2  
Fax No.: 22635005  
Email: helpdesk@computechsharecap.com
- Share Transfer System:  
The shares lodged for transfer are processed by the Registrar and Share Transfer Agent and are approved by Stakeholder’s Relationship Committee / Shareholders’ Grievance Committee. Shares sent for transfer in physical form are registered and returned within a period of 15 days from the date of receipt, subject to documents being valid and complete in all respects. Similarly, all requests for demat are received and processed by the Registrar and Transfer Agent and confirmations given to the depositories within the prescribed time limit.
- Nomination Facility for Shareholding :  
As per the provisions of the Companies Act, 2013, facility for making nominations is available for shareholders, in respect of the shares held by them. Nomination forms can be obtained from the Registrar and Share Transfer agent of the Company.

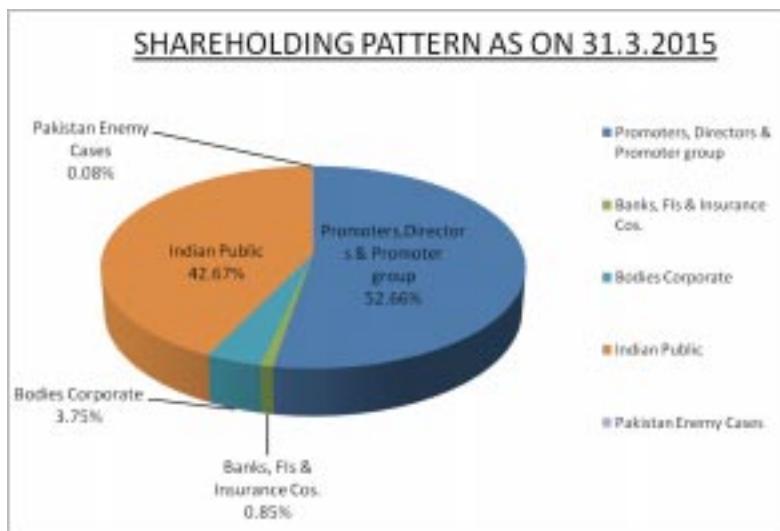


- **Payment of Dividend through Electronic Clearing Service:**  
The Securities and Exchange Board of India has made it mandatory for all companies to use the bank account details furnished by the depositories for depositing dividend through Electronic Clearing Service (ECS) to investors wherever ECS and bank details are available. In the absence of ECS facilities, the Company will print the bank account details, if available, on the payment instrument for distribution of dividend.
- **Unclaimed Dividends :**  
Members wishing to claim dividends, which remain unclaimed, are requested to correspond with Mr. Vivek Wadhavkar, Compliance Officer, at the Company's registered office. Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will as per sections 205A and 205C of the Companies, Act, 1956 and Section 123 & other applicable provisions of the Companies Act, 2013, be transferred to the Investor Education and Protection Fund.
- **Correspondence regarding Change in Address:**  
Members are requested to address all correspondences, including dividend matters, to the Registrar and Share Transfer Agents, M/s. Computech Sharecap Limited, "Computech", 147, Mahatma Gandhi Road, Fort, Mumbai – 400 023, Tel No: 22635001-5002, Fax No.: 22635005, Email:helpdesk@computechsharecap.com
- **Distribution of Share holding as on March 31, 2015:**

NO. OF EQUITY SHARES HELD	NO. OF SHARE -HOLDERS	% OF SHARE-HOLDERS	NO. OF SHARES HELD	% OF SHARE HOLDING
1 - 50	4015	55.78%	114848	3.95%
51 - 100	1347	18.71%	120321	4.14%
101 - 200	802	11.14%	127066	4.38%
201 - 300	373	5.18%	97060	3.34%
301 - 400	146	2.03%	52641	1.81%
401 - 500	142	1.97%	69002	2.38%
501 - 1000	207	2.88%	155332	5.35%
1001 AND ABOVE	166	2.31%	2167620	74.65%
<b>TOTAL</b>	<b>7198</b>	<b>100%</b>	<b>2903890</b>	<b>100%</b>

**Shareholding Pattern as on 31.03.2015:**

Category	No. of shares held	Percentage to total (%)
a. Promoters, Directors & Promoter group	1529116	52.66
b. Banks, FIs & Insurance Cos.	24553	0.84
c. Bodies Corporate	108796	3.75
d. Indian Public	1239165	42.67
e. Pakistan Enemy Cases	2250	0.08
<b>Total</b>	<b>2903890</b>	<b>100.00</b>





- Dematerialization of Shares : The shares of the Company can be held and traded in electronic form. 62.73% (24, 52, 250 shares) of the Company's shares have been dematerialised as on 31.03.2015.
- Outstanding GDRs/ ADRs : Nil / Warrants or any convertible Instrument, conversion date and likely impact on equity
- Plant Location : Not Applicable.
- Address for Correspondence : WALCHAND PEOPLEFIRST LIMITED  
1, Construction House  
5, Walchand Hirachand Marg,  
Ballard Estate, Mumbai – 400 001  
Tel: 022 - 67818181  
Fax: 22610574  
Email:vivek@walchandgroup.com  
www.walchandpeoplefirst.com

#### 10. CODE OF CONDUCT:

The Board of Directors has adopted the Code of Business Conduct and Ethics for Directors and Senior Management. The Code is reviewed from time to time by the Board. The said Code has been communicated to the Directors and the Members of the Senior Management. The Code has also been posted on the Company's website [www.walchandpeoplefirst.com](http://www.walchandpeoplefirst.com).

#### 11. CEO/ CFO CERTIFICATION:

The Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Clause 49 of the Listing Agreement. The Managing Director and the Chief Financial Officer also give quarterly certification on financial results before the Board in terms of Clause 41 of the Listing Agreement. (As annex in annexure I)

#### 12. TRADING IN THE COMPANY'S SHARES BY DIRECTORS AND DESIGNATED EMPLOYEES:

In compliance with the SEBI (Prevention of Insider Trading) Regulations, 1992, our Company has appointed Mr. Vivek Wadhavkar as the Compliance Officer who is responsible for setting policies, procedures for the preservation of price sensitive information, pre-clearance of trade, monitoring of trades and implementation of the Code of Conduct for trading in Company's securities under the overall supervision of the Board. The Company has adopted a Code of Conduct for Prevention of Insider Trading.

#### 13. DISCLOSURES REGARDING APPOINTMENT OR RE-APPOINTMENT OF DIRECTORS AS REQUIRED UNDER CLAUSE 49 VIII E (1) OF THE LISTING AGREEMENT :-

In accordance with the provisions of Section 152 of the Companies Act, 2013, one-third of the total number of Directors for the time being is liable to retire by rotation. Accordingly one Directors of the Company viz. Ms. Pallavi Jha will be retiring by rotation at the ensuing Annual General Meeting of the Company. Ms. Pallavi Jha, being eligible, offer herself for re-appointment.

#### Ms. Pallavi Jha:

Pallavi Jha is the Chairperson & Managing Director of Dale Carnegie Training India, Walchand PeopleFirst Ltd.

Pallavi has diversified exposure to various management practices in areas such as training and development, HR, consulting and business restructuring, covering a wide range of industries from media, entertainment, technology to the financial services sector and the engineering industry. She is also a prominent voice for women's role in leadership and the Learning and Development industry.

Earlier, she was Executive Director of India's leading construction company, HCC, an erstwhile Walchand Group company before starting off her own ventures. She also worked briefly in market research at Feedback Ventures and Procter & Gamble.

After her stint with HCC, Pallavi turned her attention to new entrepreneurial ventures. In 2000, riding the dotcom wave, she promoted Cricketnext.com, which went on to become the second largest cricket website in the world and was the official website of the Cricket World Cup in 2003. She successfully sold it to TV 18 Group in 2007.

After the launch of Cricketnext, she trained her eyes on the legacy business of Walchand Capital, a leading NBFC and led the change in its business model into a financial training provider. She eventually transformed it into a Soft Skills training market leader in partnership with Dale Carnegie Training, which led to the rechristening of the company to Walchand PeopleFirst. She has singularly led the India operations into one of the fastest growing regions for Dale Carnegie Training, winning several global awards for training and sales excellence.

She has been a vocal spokesperson for industry associations, and has chaired and moderated panel discussions involving India's leading business leaders. She has played a pioneering role in setting up India's first Finishing School focused on soft -skills training, the missing ingredient in the talent development and employability challenge confronting Indian industry.

She has been a keynote speaker and a panel member in various forums on business, HR, training and leadership. She is an active member of the Confederation of Indian Industry and has held offices of the Chairperson for Maharashtra Council, CII and the Skills Development Committee for CII, Western Region, the National Council on Skills Development, CII and its National Sub-

committee on School Education. Currently she is Chairperson, Indian Women's Network, Maharashtra, a CII initiative aimed at engaging, enabling and empowering women. Additionally, she has been part of women's groups, which has encouraged first generation women entrepreneurs into taking business initiatives.

Pallavi is an MBA from Syracuse University, New York with a specialization in Marketing and Market Research and a graduate in humanities from St Xavier's College, Mumbai.

**Current positions:**

1. Managing Director – Walchand PeopleFirst Ltd.
2. Director – Walchand And Company Private Limited
3. Director - Walchand Netsoft Private Limited

## DECLARATION

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the year ended 31<sup>st</sup> March 2015.

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### CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

We, Pallavi Jha, Chairperson & Managing Director and Shruthi Patni, CFO, of WALCHAND PEOPLEFIRST LIMITED, to the best of our knowledge and belief, certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2015 and that to the best of their knowledge and belief, we state that:
  - 1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - 2. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- C. We are responsible for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. We have indicated, based in our most recent evaluation, wherever applicable, to the Auditors and the Audit committee:
  - 1. significant changes, if any, in internal control over financial reporting during the year;
  - 2. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - 3. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Yours faithfully

Mumbai  
6<sup>th</sup> May, 2015

Pallavi Jha  
Chairperson & Managing Director

Shruthi Patni  
Chief Financial officer

## **CERTIFICATE ON CORPORATE GOVERNANCE**

**Certificate on compliance with the conditions of  
Corporate Governance under Clause 49 of the Listing Agreement**

To  
The Members,  
Walchand PeopleFirst Limited

I have examined the compliance of conditions of Corporate Governance by Walchand PeopleFirst Limited for the year ended March 31, 2015 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

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

In my opinion and to the best of my information and according to the explanation given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

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

**For Pramod S. Shah & Associates  
Practising Company Secretaries**

Place: Mumbai  
Date: 6<sup>th</sup> May, 2015

Pramod S. Shah  
Partner  
Membership No. 334

# AUDITORS' REPORT

## Independent Auditor's Report To the Members of Walchand PeopleFirst Limited, Report on the Financial Statements

We have audited the accompanying financial statements of Walchand PeopleFirst Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

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

### Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ('the Order') issued by the Government of India – Ministry of Corporate Affairs, in terms of sub-section (11) of section 143 of the Act, we enclose in the annexure a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The company has disclosed the impact of pending litigations on its financial position in its financial statement – Refer note 24.
  - The Company does not have any long-term contracts having material foreseeable losses. The company does not have any derivative contracts;
  - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For K. S. Aiyar & Co.**  
Chartered Accountants  
ICAI Firm Registration No. 100186W

**Satish K. Kelkar**  
Partner

Place: Mumbai  
Date: 6<sup>th</sup> May, 2015

Membership No: 38934

#### ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our Report of even date on the financial statements for the year ended on March 31, 2015, of **Walchand PeopleFirst Limited**)

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year. In our opinion the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (ii) In absence of inventories, clauses (ii)(a), (ii)(b) & (ii)(c) of the Order are not applicable to the Company.
- (iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other

parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, sub-clause (a) and (b) of the Order are not applicable.

- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of this area.
- (v) The Company has not accepted any deposits from the public to which the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 or the Companies (Acceptance of Deposit) Rules 2014 or the directives issued by the Reserve Bank of India apply.
- (vi) We have been informed that the Company is not required to maintain cost records under sub-section (1) of section 148 of the Companies Act, 2013, which has been relied upon.
- (vii) (a) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, sales tax, wealth tax, income-tax and service tax and other statutory dues. Based on our audit procedures and according to the information and explanations given to us, there are no arrears of undisputed statutory dues which remained outstanding as at 31st March 2015, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and records of the Company, the dues outstanding of income-tax, customs duty, wealth-tax, service tax, and cess which have not been deposited on account of any dispute, are as follows:

Name of statute	Nature of dues	Amount (Rs. In Lacs)	Period to which the amount relates	Forum where disputes pending
Income Tax Act, 1961	Income Tax	70.01	2008-09	ITAT
		42.02	2009-10	ITAT
		29.32	2010-11	CIT(A)
		37.35	2011-12	CIT(A)
Municipal Corporation of Great Mumbai (BMC)	Property Tax	276.88	2000-01 to 2014-15	Bombay High Court
Mumbai Port Trust	Municipal Dues	119.98	1 <sup>st</sup> Jan. '99 to 31 <sup>st</sup> March' 15	City Civil Court

- (c) Based on our examination of the records maintained during the year, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- (viii) The Company does not have any accumulated losses at the end of the financial year and has not incurred any cash losses during the financial year covered by



our audit

- (ix) In our opinion and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to any financial institution, banks. The Company does not have any outstanding debentures
- (x) According to the information and explanations given to us, the Company has not given guarantee for loans taken by others from bank or financial institutions.
- (xi) In our opinion the term loans have been applied for the purpose for which they were raised.

- (xii) According to the information and explanations furnished by the management, which have been relied upon by us, there were no frauds on or by the Company noticed or reported during the year.

**For K. S. Aiyar & Co.**  
**Chartered Accountants**  
ICAI Firm Registration No: 100186W

**Place:** Mumbai  
**Date:** 6<sup>th</sup> May, 2015

**Satish K. Kelkar**  
**Partner**  
Membership No.: 38934

## BALANCE SHEET AS AT MARCH 31, 2015

PARTICULARS	Note No.	As at March 31, 2015	Rs. in Lacs As at March 31, 2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2	290.39	290.39
(b) Reserves and Surplus	3	<u>861.44</u>	<u>793.90</u>
		<u>1,151.83</u>	<u>1,084.29</u>
<b>(2) Non-current liabilities</b>			
(a) Long Term Borrowings	4	-	60.00
(b) Other long-term liabilities	5	<u>30.00</u>	<u>20.00</u>
		<u>30.00</u>	<u>80.00</u>
<b>(3) Current liabilities</b>			
(a) Short Term Borrowings	6	-	56.96
(b) Trade payables	7	60.11	55.33
(c) Other current liabilities	8	251.83	176.91
(d) Short term provisions	9	<u>56.89</u>	<u>13.71</u>
		<u>368.83</u>	<u>302.91</u>
	<b>TOTAL</b>	<u><u>1,550.66</u></u>	<u><u>1,467.20</u></u>
<b>II. ASSETS</b>			
<b>(1) Non current assets</b>			
<b>(a) Fixed assets</b>			
(i) Tangible assets		232.30	270.70
(ii) Intangible assets		12.67	11.90
(iii) Capital work in progress		-	4.43
		<u>244.97</u>	<u>287.03</u>
(b) Non-current investments	11	2.93	2.14
(c) Deferred tax assets (net)	12	22.43	13.39
(d) Long-term loans and advances	13	<u>515.48</u>	<u>505.28</u>
		<u>785.81</u>	<u>807.84</u>
<b>(2) Current Assets</b>			
(a) Trade receivables	14	334.88	276.62
(b) Cash and bank balances	15	397.15	340.11
(c) Short term loans and advances	16	14.09	27.17
(d) Other current assets	17	<u>18.73</u>	<u>15.46</u>
		<u>764.85</u>	<u>659.36</u>
	<b>TOTAL</b>	<u><u>1,550.66</u></u>	<u><u>1,467.20</u></u>
<b>SIGNIFICANT ACCOUNTING POLICIES</b>			
	1		

Notes on accounts form an integral part of financial statements.

<p>As per our attached report of the even date</p> <p>For K.S. AIYAR &amp; CO. Chartered Accountants</p> <p>Satish Kelkar Partner Membership No- 38934</p>	<p>For and on behalf of the board of directors</p> <p>PALLAVI JHA                      Chairperson and Managing Director</p> <p>SANJAY JHA                      Whole Time Director</p> <p>SHRUTHI PATNI                  Chief Financial Officer</p>
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Place : Mumbai  
Date : May 6, 2015

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015**

PARTICULARS		For the Year Ended March 31, 2015	Rs. in Lacs For the Year Ended March 31, 2014
<b>Revenue</b>			
Revenue from Operations	18	1,805.43	1,525.82
Other income	19	<u>105.87</u>	<u>125.83</u>
<b>Total Revenue</b>		<u>1,911.30</u>	<u>1,651.65</u>
<b>Expenses</b>			
Employee benefit expenses	20	981.34	863.39
Royalty and related expenses		237.13	197.66
Training expenses		102.17	83.00
Travel, lodging and conveyance expenses		80.95	86.23
Rent and maintenance expense		51.55	50.18
Marketing expenses		41.87	28.60
Legal , Professional and Recruitment expenses		47.69	31.37
Finance Cost		7.77	13.94
Depreciation and amortisation expenses		41.06	40.83
Other Expenses	21	<u>157.73</u>	<u>172.17</u>
<b>Total Expenses</b>		<u>1,749.26</u>	<u>1,567.37</u>
<b>PROFIT BEFORE TAX</b>		162.04	84.28
<b>Tax Expenses</b>	22		
Current Tax		57.00	29.70
Income tax earlier years		(1.94)	13.32
Deferred tax		(9.04)	(3.80)
<b>PROFIT FOR THE YEAR</b>		<u>116.02</u>	<u>45.06</u>
<b>EARNING PER EQUITY SHARE</b>	23		
Equity shares of par value Rs 10/- each Basic and Diluted		4.00	1.55
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	1		
Notes on accounts form an integral part of financial statements.			

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As per our attached report of the even date	<b>For and on behalf of the board of directors</b>	
For K.S. AIYAR & CO. Chartered Accountants	PALLAVI JHA	Chairperson and Managing Director
Satish Kelkar Partner Membership No- 38934	SANJAY JHA	Whole Time Director
	SHRUTHI PATNI	Chief Financial Officer

Place : Mumbai  
Date : May 6, 2015

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

### **1A General Information:**

Walchand PeopleFirst Limited (the 'company') is engaged in the business to impart training in soft skills like leaderships, communication, presentation, etc. The Company had acquired the franchise rights to offer, sell, teach and impart the training methods, techniques and programs developed by Dale Carnegie Training & Associates, U.S.A. to individual and employees of the corporate.

### **1 Significant accounting policies**

#### **1.1 Basis of preparation of financial statements**

The financial statements have been prepared to comply in all material respects with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis. The Company has consistently applied the accounting policies which are consistent with those used in the previous year.

#### **1.2 Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

#### **1.3 Fixed Assets**

Fixed assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

#### **1.4 Depreciation**

Depreciation is computed using the Written Down Value Method ("WDV") as per the useful life of the asset as prescribed in part C of Schedule II of the Companies Act, 2013 leaving a residuary value of 5% of original cost of the asset.

#### **1.5 Impairment**

- (a) The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.
- (b) After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

#### **1.6 Intangible Assets**

Amount paid as franchisee rights and software is treated as an intangible asset and is amortized over a period of 5 years from the date of incurring such expenditure on pro-rata basis.

## **1.7 Revenue Recognition**

### **Training Income**

- (a) In case of Open Programs, income is recognized at the commencement of the program.
- (b) In case of Corporate Programs, appropriate revenue is recognized when confirmed order is received and there is reasonable certainty of completion of the program.
- (c) In case of long-term course (i.e. courses more than 6 weeks duration), revenue is accrued over the period of the course.

### **Other Income**

- (d) Dividend Revenue is recognized when the shareholders' right to receive payment is established by the balance sheet date.
- (e) Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

## **1.8 Foreign Currency Transactions**

### **(a) Initial Recognition**

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

### **(b) Conversion**

Foreign currency monetary items are reported using the closing exchange rate.

### **(c) Exchange Differences**

Exchange differences arising on the settlement or restatement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

## **1.9 Investments**

- (a) Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.
- (b) Current investments are carried at lower of cost and fair value determined on an individual investment basis.
- (c) Non current (Long-term) investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.
- (d) Carrying amount of an individual investment is determined on the basis of the average carrying amount of the total holding of the investment.

## **1.10 Retirement and other Employee Benefits**

- (a) Contributions to Provident Fund and Superannuation scheme are defined contribution plans. The company's contribution paid/ payable toward these defined contributions plans are recognised as expenses in the Statement of Profit and Loss during the period to which the employee renders the related service. There are no other obligations other than the contributions payable to respective funds.
- (b) Company's liability towards gratuity is considered as a Defined Benefit Plan. The present value of the obligations towards Gratuity is determined based on actuarial valuation using the projected unit credit method. The obligation is measured at the present value of estimated future cash flows using a discount rate that is determined by reference to market yields on government securities at the balance sheet date, having maturity periods approximating to the terms of the related obligations.
- (c) Actuarial gains and losses are recognised in full in the period in which they occur in the statement of profit and loss.

## **1.11 Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily

takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

#### **1.12 Segment Reporting Policies**

The company has a single segment namely “ Training”. Therefore the company’s business does not fall under different business segments as defined by Accounting Standard -17.

#### **1.13 Leases**

Leases where the lessor effectively retains substantially all risk and reward of ownership of the leasehold assets are classified as operating lease. Operating lease payments are recognized as an expense in the profit and loss account on straight-line basis over the lease term.

#### **1.14 Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares). For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders & the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

#### **1.15 Taxes**

- (a) Tax expense comprises of current and deferred tax.
- (b) Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Tax rates and tax laws used to compute amount are those that are enacted or substantially enacted at the balance sheet date.
- (c)
  1. Deferred income taxes reflect 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 measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.
  2. Deferred Tax liabilities are recognised for all timing differences.
  3. Deferred tax assets are recognised for deductible timing differences 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 realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.
  4. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws.
- (d) At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.
- (e) The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or



virtually certain, as the case may be, that sufficient future taxable income will be available.

- (f)
1. Minimum Alternate Tax (MAT) paid in a year is charged to statement of Profit and loss as current tax.
  2. MAT credit is recognised, as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward.
  3. In the year in which company recognises the Minimum Alternative tax (MAT) credit as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

#### **1.16 Provisions and Contingencies**

- (a) A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.
- (b) Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle obligation.
- (c) Contingent liabilities are disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote.
- (d) Contingent assets are not recognised.

#### **1.17 Cash and Cash equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term investment with an original maturity of 3 months or less.

**1.18** Figures for previous year figures have been regrouped / rearranged wherever necessary to conform to the current years classification.

## NOTES ON ACCOUNTS FOR THE PERIOD ENDED MARCH 31, 2015.

2 SHARE CAPITAL	Rs. in Lacs	
Particulars	As at	As at
	March 31, 2015	March 31, 2014
<b>Authorised capital:</b>		
2,30,00,000 Equity Shares of Rs. 10/- each		
(Previous year - 2,30,00,000 Equity Shares of Rs. 10/- each)	2,300.00	2,300.00
2,00,000 Preference Shares of Rs. 100/- each		
(Previous year - 2,00,000 Preference Shares of Rs. 100/- each)	200.00	200.00
<b>Total</b>	<b>2,500.00</b>	<b>2,500.00</b>
<b>Subscribed, issued and paid up Capital:</b>		
<b>Equity Share capital</b>		
29,03,890 Equity Shares of Rs. 10/- each, fully paid up		
(Previous year- 29,03,890 Equity Shares of Rs.10/- each, fully paid up)	290.39	290.39

### 2.2 Of the above Equity shares :

- (a) 11,666 Shares were issued in 1961 by converting 35,000 Promoters' Shares of Rs. 3.75 each (Rs. 1,31,250) into 11,666 Shares of Rs.11.25 each and by utilising Rs. 2,18,730 from Capital Reserves for issue of 11,666 Shares of Rs. 18.74936 each and consolidating the two.
- (b) 43,333 Shares of Rs. 30 each were issued in 1961 as Bonus Shares by utilising Capital Reserve of Rs. 12,99,990.
- (c) During 1966, the face value of 1,71,675 Equity Shares was increased from Rs. 30 each to Rs. 50 each by utilising Rs. 34,33,500 from Reserve for Investments and Advances. Further 34,335 bonus Equity Shares of Rs. 50 each were issued as fully paid by capitalisation of Rs. 17,16,750 out of General Reserve.
- (d) During 1970, the face value of equity Shares was increased from Rs. 50 to Rs. 60 per share by capitalising Rs. 20,60,100 from General Reserve.
- (e) During 1984, the face value of Equity Shares was increased from Rs. 60 to Rs. 100 per share by capitalising Rs. 82,40,400 from General Reserve.
- (f) During 1994-95, 78,880 Equity Shares of Rs. 100 each were issued to the promoters on the preferential basis.
- (g) During 2009-10, 5499 Equity Shares of Rs 100 each were issued to one of the shareholder of the transferor company - Walchand TalentFirst Limited, on account of the scheme of amalgamation.
- (h) During 2011-12, 2,90,389 Equity shares of Rs 100 each were subdivided into 29,03,890 shares of Rs 10/ each.

### 2.3 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Equity shares	As at March 31, 2015		As at March 31, 2014	
	No of shares	Rs in Lacs	No of shares	Rs in Lacs
Particulars				
At the beginning of the period	2,903,890	290.39	2,903,890	290.39
Issued during the period	-	-	-	-
Outstanding at the end of the period	2,903,890	290.39	2,903,890	290.39

### 2.4 Terms and rights

The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year the amount of dividend per share recommended by the Board of Directors to equity shareholders was Re 1. (31st March, 2014 - Nil).

### 2.5 Holding company share holding details:-

Out of the 29,03,890 Equity shares, 15,20,486 Equity Shares are held by the holding company.(Previous year out of 29,03,890 Equity shares, 15,05,974 Equity Shares are held by the holding company).

### 2.6 The details of the shareholder holding more than 5% shares as at MARCH 31,2015 is set out below: -

Name of the shareholder	As at March 31, 2015		As at March 31, 2014	
	No of shares	% held	No of shares	% held
Walchand & Company Private Limited	1,520,486	52.36	1,505,974	51.86

### 3 RESERVE AND SURPLUS

Rs. in Lacs

Particulars	As at	As at
	March 31, 2015	March 31, 2014
Capital Redemption Reserve	8.50	8.50
Securities Premium Reserve	230.95	230.95
General Reserve	91.74	91.74
Surplus - Opening balance	462.71	417.65
Add: Net profit after tax transferred from Statement of Profit and Loss	116.02	45.06
Less: Effect of Depreciation due to change in new companies act'2013 (Refer Note 10).	13.53	-
Amount available for appropriation	565.20	462.71
Appropriations:-		
Interim Dividend	-	-
Final Dividend	29.04	-
Total Dividend	29.04	-
Dividend tax	5.91	-
Amount transferred to general reserve	-	-
Surplus - Closing balance	530.25	462.71
Total Reserve and Surplus	861.44	793.90

The Board of Directors have recommended a final dividend of 10% in its Board meeting held on 6th May,2015 which is subject to shareholders' approval.The total amount of dividends proposed to be distributed to equity shareholders for the period April,2014 to March,2015 is Rs 29.04 Lacs.

### 4 LONG-TERM BORROWINGS

Rs. in Lacs

Particulars	As at	As at
	March 31, 2015	March 31, 2014
Unsecured loans from a related party	-	60.00
TOTAL OTHER LONG-TERM LIABILITIES	-	60.00

### 5 OTHER LONG-TERM LIABILITIES

Rs. in Lacs

Particulars	As at	As at
	March 31, 2015	March 31, 2014
Deposit received from tenant	30.00	20.00
TOTAL OTHER LONG-TERM LIABILITIES	30.00	20.00

**6 SHORT-TERM BORROWINGS**

Rs. in Lacs

Particulars	As at	As at
	March 31, 2015	March 31, 2014
Secured cash credit - From a bank (Secured by Hypothecation of Debtors, mortgage of the building of the company and personal gurantee of the Chairman)	-	56.96
<b>TOTAL SHORT-TERM BORROWINGS</b>	<b>0.00</b>	<b>56.96</b>

**7 TRADE PAYABLES**

Rs. in Lacs

Particulars	As at	As at
	March 31, 2015	March 31, 2014
Dues of Micro, small and medium enterprises	-	-
Oher creditors	60.11	55.33
<b>TOTAL TRADE PAYABLES</b>	<b>60.11</b>	<b>55.33</b>

**Disclosures under Micro, Small and Medium Enterprises Act**

Company has sent letters to suppliers to confirm whether they are covered under Micro, Small and Medium Enterprises Act, 2006 as well as they have filed required memorandum with the prescribed authorities. This information is required to be disclosed under the Micro, Small and Medium enterprises development Act, 2006 and has been determined to the extent such parties have been identified on the basis of the information available with the company and have been relied upon by the auditors.

Rs. in Lacs

Particulars	As at	As at
	March 31, 2015	March 31, 2014
Principal amount unpaid at the end of the year	0.00	0.00
Interest unpaid at the end of the year	-	-
Balance of MSME parties	0.00	0.00

**8 OTHER CURRENT LIABILITIES**

Rs. in Lacs

Particulars	As at	As at
	March 31, 2015	March 31, 2014
Current maturities of long term debts	-	5.26
Unpaid Dividends(There is no amount due and outstanding to be credited to Investor Education and Protection Fund)	4.26	5.43
Interest accrued but not due on borrowings	-	0.03
Provision for expenses	198.20	129.70
Statutory dues	21.37	20.93
Other payables	28.00	15.56
<b>TOTAL OTHER CURRENT LIABILITIES</b>	<b>251.83</b>	<b>176.91</b>

**9 SHORT TERM PROVISIONS**

Rs. in Lacs

Particulars	As at	As at
	March 31, 2015	March 31, 2014
a) Provision for employee benefits	14.00	13.71
b) Gratuity Obligation	7.94	-
c) Others		
i) Proposed dividend	29.04	-
ii) Provision for tax on dividend	5.91	-
<b>TOTAL SHORT TERM PROVISIONS</b>	<b>56.89</b>	<b>13.71</b>

10. FIXED ASSETS:

Rs. in Lacs

ASSETS	ORIGINAL COST				DEPRECIATION/AMORTIZATION						NET BLOCK		
	As at April 1, 2014	Additions during the year	Deductions during the year	Adjustment during the year	As at 31st March, 2015	As at April 1, 2014	For the year	Related to Earlier Years(*)	Deductions during the year	Adjustment during the year	As at 31st March, 2015	As at 31st March, 2015	As at March 31, 2014
<b>Tangible Assets</b>													
Buildings	377.07	-	-	-	377.07	179.36	9.52	-	-	-	188.88	188.19	197.71
Plant and machinery	12.26	4.28	-	0.02	16.56	5.52	1.63	0.01	-	0.03	7.19	9.37	6.74
Furniture and fixtures	41.09	1.27	0.80	0.23	41.79	33.66	1.36	1.99	0.68	0.32	36.65	5.14	7.43
Data Processing and allied equipments	88.47	4.95	3.50	1.60	91.52	69.79	8.52	6.67	3.39	1.16	82.75	8.77	18.68
Office equipments	36.07	2.40	2.33	(1.86)	34.28	21.58	7.49	4.09	2.13	(1.49)	29.53	4.75	14.49
Electric instalations	8.71	-	-	0.01	8.72	5.26	0.85	0.77	-	(0.02)	6.86	1.86	3.45
Vehicles	46.33	-	-	-	46.33	24.13	7.98	-	-	-	32.11	14.22	22.20
<b>Total - A</b>	<b>610.00</b>	<b>12.90</b>	<b>6.63</b>	<b>0.00</b>	<b>616.27</b>	<b>339.30</b>	<b>37.35</b>	<b>13.53</b>	<b>6.20</b>	<b>(0.01)</b>	<b>383.97</b>	<b>232.30</b>	<b>270.70</b>
<b>Intangible Assets</b>													
Franchise fees	34.01	-	-	-	34.01	34.00	-	-	-	0.01	34.01	0.00	0.01
Software	20.94	4.48	-	-	25.42	9.05	3.70	-	-	-	12.75	12.67	11.89
<b>Total - B</b>	<b>54.95</b>	<b>4.48</b>	<b>0.00</b>	<b>0.00</b>	<b>59.43</b>	<b>43.05</b>	<b>3.70</b>	<b>0.00</b>	<b>0.00</b>	<b>0.01</b>	<b>46.76</b>	<b>12.67</b>	<b>11.90</b>
<b>TOTAL - A + B</b>	<b>664.95</b>	<b>17.38</b>	<b>6.63</b>	<b>0.00</b>	<b>675.70</b>	<b>382.35</b>	<b>41.05</b>	<b>13.53</b>	<b>6.20</b>	<b>0.00</b>	<b>430.73</b>	<b>244.97</b>	<b>282.60</b>
Previous Year	683.55	33.98	52.58	-	664.95	360.07	40.83	-	18.55	-	382.35	282.60	-

(\*) Where the useful life of the asset is Nil as on 1st April 2014, the carrying amount after retaining the residual value has been recognised in the opening balance of retained earnings.

10A LEASES PROVIDED

The Company has provided its certain premises though operating and cancellable lease arrangements. The disclosures are as follows:

Rs. in Lacs

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Not later than one year	63.80	55.80
Later than one year and not later than five years	211.78	274.78
Later than five years	-	-

Details of assets given on operating lease under cancellable arrangements:-

Rs. in Lacs

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Gross carrying amount	2.80	2.80
Accumulated depreciation	2.29	2.23

	For the year ended March 31, 2015	For the year ended March 31, 2014
Depreciation recognised in the statement of Profit and Loss account	0.06	0.05
Lease rent income during the year	55.32	66.93

## 10 LEASES TAKEN

- a) The Company has taken certain premises through operating and cancellable lease arrangements. The disclosures are as follows:

Particulars	Rs. in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Not later than one year	43.35	32.44
Later than one year and not later than five years	50.63	21.31
Later than five years	-	-

- b) The company has entered into operating lease arrangements for its office premises which are cancellable and renewable as per terms. The related rent expenses is Rs 44.91 Lacs. (Previous Year - Rs 49.58 Lacs).

## 11 INVESTMENT

Other than trade PARTIULARS	Face Value	As at March 31, 2015		As at March 31, 2014	
		Quantity	Rs. in Lacs	Quantity	Rs. in Lacs
<b>Non - Current Investments</b>					
<b>A) Quoted Investments</b>					
1) Investment in Equity shares					
TOTAL - A			<u>-</u>		<u>-</u>
<b>Non - Current Investments Unquoted Investments</b>					
<b>(1) Investment In Mutual Fund Units</b>					
Tata Liquid Fund - A Weekly Dividend	10	-	-	0.682	0.01
Tata Liquid Fund - Fortnight Dividend	10	-	-	6.680	0.08
TOTAL - A			<u>-</u>		<u>0.08</u>
2) Investment in Equity shares					
Bombay Mercantile Co-op Bank Ltd.	30	166	0.05	166	0.05
Total- B	-	-	<u>0.05</u>	-	<u>0.05</u>
3) Investment in immovable property					
Walchand Co-op. Housing Society Ltd.	50	5	0.00*	5	0.00*
TOTAL - C			<u>0.00*</u>		<u>0.00*</u>
4) Investment in others					
Gold Coins - 90 Gm - 9 coins of 10 gm each -					
TOTAL D		9	<u>2.93</u>	6	<u>2.06</u>
TOTAL OF A to D			<u>2.98</u>		<u>2.19</u>
Less: Provision for investment			<u>0.05</u>		<u>0.05</u>
TOTAL OF A to D			<u>2.93</u>		<u>2.14</u>

Note: Market value of Quoted Investment is Rs NIL ( Previous Year - NIL).

\* represents amount less than ' 1000



**12 DEFERRED TAXES**

Rs. in Lacs

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Deferred Tax Liabilities</b>		
Difference in Book and Tax WDV of Fixed Assets	-	-
<b>Total – A</b>	-	-
<b>Deferred Tax Assets</b>		
Difference in Book and Tax WDV of Fixed Assets	8.63	5.81
Others	13.80	7.58
<b>Total – B</b>	<b>22.43</b>	<b>13.39</b>
<b>Net Deferred Tax Asset / (Liabilities) - (B - A)</b>	<b>22.43</b>	<b>13.39</b>

**13 LONG-TERM LOANS AND ADVANCES**

Rs. in Lacs

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Security Deposits</b>		
<b>i) Unsecured, considered good</b>		
1. Electricity deposit	6.63	4.72
2. Rent deposit paid	22.71	9.24
3. Other deposits	14.92	14.92
<b>ii) Unsecured, considered doubtful</b>		
<b>Security Deposit</b>	2.24	3.61
Less: provision for doubtful debts	(2.24)	(3.61)
<b>iii) Other loans and advances</b>		
1. Income Taxes	545.84	560.38
2. MAT credit entitlement - asset	40.67	57.88
Less: Provision for taxation	(115.29)	(141.86)
<b>Total Long-Term Loans and Advances</b>	<b>515.48</b>	<b>505.28</b>

**14 TRADE RECEIVABLES**

Rs. in Lacs

Particulars	As at March 31, 2015	As at March 31, 2014
<b>(I) Debts outstanding for a period exceeding six months</b>		
<b>Unsecured</b>		
(a) Considered good	8.57	13.53
(b) Considered Doubtful	9.57	1.19
Less: Provision for Doubtful Debts	(9.57)	(1.19)
<b>(II) Other Debts</b>		
<b>Unsecured</b>		
(a) Considered good	326.31	263.09
(b) Considered Doubtful	0.24	1.19
Less: Provision for Doubtful Debts	(0.24)	(1.19)
<b>Total Trade Receivables</b>	<b>334.88</b>	<b>276.62</b>

## 15 CASH AND BANK BALANCES

Rs. in Lacs

Particulars	As at	As at
	March 31, 2015	March 31, 2014
Cash on hand	0.81	0.36
<b>Balances with banks</b>		
In current accounts	88.07	71.90
Cheques in Hand	-	37.67
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>88.88</b>	<b>109.93</b>
In deposit accounts (maturity more than 3 months)	304.01	224.75
Balances with banks in unpaid dividend accounts	4.26	5.43
<b>Total Cash and Bank Balances</b>	<b>397.15</b>	<b>340.11</b>

## 16 SHORT TERM LOANS AND ADVANCES

Rs. in Lacs

Particulars	As at	As at
	March 31, 2015	March 31, 2014
<b>I) Unsecured, considered good</b>		
1) Others loan and advances		
a) Rent deposit	-	13.50
b) Prepaid expenses	7.29	6.67
c) Advances to employees	2.34	2.59
d) Advances paid to vendors	1.70	0.85
e) Others	2.76	3.56
	14.09	27.17
<b>II) Unsecured, considered doubtful</b>		
1) Others loan and advances		
a) Advances to employees	2.41	2.81
Less: Provision for doubtful loans and advances to employees	(2.41)	(2.81)
<b>Total short term loans and advances</b>	<b>14.09</b>	<b>27.17</b>

## 17 OTHER CURRENT ASSETS

Rs. in Lacs

Particulars	As at	As at
	March 31, 2015	March 31, 2014
Interest Accrued on Fixed Deposit	18.73	14.60
Advance to LIC Gratuity Fund	-	0.83
Other current assets	-	0.03
<b>Total Other current assets</b>	<b>18.73</b>	<b>15.46</b>

**18 Revenue from Operations****Rs. in Lacs**

Particulars	For the Period ended 31st March, 2015	For the Period ended 31st March, 2014
Income from operation - Training services	1,805.43	1,525.82

**19 OTHER INCOME****Rs. in Lacs**

Particulars	For the Period ended 31st March, 2015	For the Period ended 31st March, 2014
Rent Income	55.32	66.93
Interest on Fixed Deposit	26.62	19.63
Provision / Creditors Written Back	5.78	14.11
Interest From Income Tax Refunds	16.22	7.23
Dividend Income	-	3.13
Profit on Sale of Investment	0.00	0.11
Profit on Sale of Fixed Assets	0.08	1.17
Sundry Receipts	1.85	13.52
<b>Total other Income</b>	<b>105.87</b>	<b>125.83</b>

**EXPENSES****Rs. in Lacs**

Particulars	For the Period ended 31st March, 2015	For the Period ended 31st March, 2014
<b>20 Employee benefit expenses</b>		
Salaries and bonus	913.27	803.70
Contribution to Provident fund, Gratuity and other funds	27.22	19.43
Staff welfare	40.85	40.26
<b>Total employee benefit expenses</b>	<b>981.34</b>	<b>863.39</b>

**21 Other Expenses**

Repairs to building	11.55	3.65
Repairs to plant and machinery	5.58	2.03
Insurance and Maintenance Expenses	6.04	6.60
Rates and taxes	10.40	11.20
Electricity charges	16.64	14.48
Telephone and Internet charges	13.14	14.04
Freight expenses	18.67	12.73
Directors Sitting Fees	3.15	4.29
Provision for Doubtful Debts	8.64	-
Fixed asset written off	0.09	33.21
Loss on sale of Investment	-	14.69
Miscellaneous expenses	59.24	51.13
Audit Fees		
a) Statutory Fees	2.40	2.15
b) Tax Audit Fees	0.55	0.50
c) Limited Review fees	1.50	1.26
d) Expenses Reimbursement	0.14	0.21
<b>Total Other Expenses</b>	<b>157.73</b>	<b>172.17</b>

**22 TAX EXPENSE**
**Rs. in Lacs**

Particulars	For the Period ended 31st March, 2015	For the Period ended 31st March, 2014
<b>Income taxes</b>		
Current Tax	35.00	15.52
MAT credit entitlement utilized	22.00	14.18
<b>Net Current tax Liability</b>	<b>57.00</b>	<b>29.70</b>
Earlier Income Tax	(1.94)	13.32
Less: Earlier MAT credit entitlement	-	-
<b>Net Earlier tax Liability</b>	<b>(1.94)</b>	<b>13.32</b>
Deferred Tax assets	(9.04)	(3.80)
<b>Total Tax Liability</b>	<b>46.02</b>	<b>39.22</b>

**23 RECONCILIATION OF BASIC AND DILUTED SHARES USED IN COMPUTING EARNING PER SHARE**

Particulars	As at March 31, 2015	As at March 31, 2014
Number of shares considered as basic weighted average shares outstanding	2,903,890	2,903,890
Add: Effect of dilutive issues of shares/ stock options	-	-
<b>Number of shares considered as weighted average shares and potential shares outstanding</b>	<b>2,903,890</b>	<b>2,903,890</b>

Particulars	As at March 31, 2015	As at March 31, 2014
Net Profit available as per Profit and Loss account available to Equity shareholder (Rs in Lacs)	116.02	45.06
Weighted average number of equity shares for EPS computation (nos)	2,903,890	2,903,890
<b>Basic and Diluted earning per share (Rs)</b>	<b>4.00</b>	<b>1.55</b>

**24 CONTINGENT LIABILITIES AND COMMITMENTS**

Particulars	As at March 31, 2015	As at March 31, 2014
Income tax Demands for A.Y 09-10 to A.Y. 12-13 amounting to Rs 178.70 lacs (previous year Rs 87.58 lacs) has been disputed by the company before CIT (Appeals)/Income Tax Tribunal. The management doesn't expect any liability crystallizing in these cases.	178.70	87.58
Municipal Corporation of Greater Mumbai (BMC) has demanded Rs 276.88 lacs (Previous year Rs 146.28 lacs) on account of Property Tax payable for the period 01st April, 2000 to 31st March, 2015. The company had filed an appeal and has been successful in the Court of Small Causes, Mumbai against which BMC has filed an appeal which is pending in Bombay High Court. Subsequently, around 2012 BMC changed the method of computation w.e.f A-Y 2010 to "Capital Based System" and had demanded new bills amounting to Rs 134.83 Lacs for the period FY-2010-11 till FY-2014-15 and taken further action. This has been also challenged before the Assessment Officer. Based on the legal advice obtained in this case, the management believes that the ultimate outcome of this proceeding will be in companies favor and will not adversely impact the company's financial position.	276.88	146.28

Particulars	As at	As at
	March 31, 2015	March 31, 2014
The company has disputed increased lease rent amounting to Rs 119.98 lacs (Previous year Rs 110.84 lacs) till the end of the year demanded by Bombay Port Trust Authorities and has filed a case in City Civil Court, Mumbai which is pending for decision. The company has been legally advised that it has good case on merit and is hopeful that the demand will not sustain.	119.98	110.84

## 25 ACTIVITY IN FOREIGN CURRENCY

Rs. in Lacs

Particulars	As at	As at
	March 31, 2015	March 31, 2014
<b>Earnings in foreign currency</b>		
Income from training services	15.60	58.96
Others	0.34	3.96
<b>Expenditure in foreign currency</b>		
Royalty remitted	149.07	150.51
Others	6.91	11.19

## 26 RELATED PARTY DISCLOSURES:-

### A Description of Companies:

Name of the Related Party  
Walchand & Company. Pvt. Ltd.  
Walchand Netsoft Pvt Ltd.  
Walchand Diamond Jubilee Trust

Nature of Relationship  
Holding Company  
Controlled Company  
Directors as Trustee

### B Key Management Personnel:

Name of the Related Party  
Mrs. Pallavi Jha  
Mr. Sanjay Jha  
Ms Shruthi Patni

Nature of Relationship  
Chairperson & Managing Director  
Whole Time Director  
Chief Financial Officer

### C Relative of Key Management Personnel:

Name of the Related Party  
Mrs. Kamalini Bahubali  
Ms. Maithili Jha

Nature of Relationship  
Mother of Chairperson & Managing Director  
Daughter of Chairperson & Managing Director

Rs. in Lacs

Particulars	As at	As at
	March 31, 2015	March 31, 2014
<b>A. Transaction with companies</b>		
(i) Interest on unsecured loan	2.72	5.40
(ii) Dividend paid		
Walchand & Company Private Limited	0.00	15.06
Walchand Diamond Jubilee Trust	0.00	0.61
(iii) Unsecured loan outstanding		
Walchand & Company Private Limited	-	60.00
(iv) Income from property		
Walchand & Company Private Limited	0.51	0.51
(v) Repayment of Unsecured loan		
Walchand & Company Private Limited	60.00	-
<b>B. Transactions with Key Management Personnel</b>		
(i) Remuneration paid		
Managing Director's Remuneration	87.62	70.80
Whole time Director's Remuneration	82.64	68.40
Chief Financial Officer Remuneration	30.03	N.A.
<b>C. Transactions with relatives of Key Management Personnel</b>		
(i) Remuneration paid		
Ms. Maithili Jha	3.31	-
(ii) Dividend paid		
Mrs. Kamalini Bahubali	0.00	0.05
Chairperson and Managing Director	0.00	0.02

**Managerial remuneration**

Rs. in Lacs

Particulars	For the year ended	For the year ended
	March 31, 2015	March 31, 2014
<b>Chairperson and Managing Director</b>		
Salary	35.64	31.68
Performance Pay	23.76	15.84
Contribution to Provident Fund	4.28	3.80
Contribution to Superannuation Fund	5.35	4.75
Gratuity	1.71	1.53
Perquisites	16.88	13.20
<b>Total</b>	<b>87.62</b>	<b>70.80</b>
<b>Whole- Time Director</b>		
Salary	34.16	30.36
Performance Pay	22.77	15.18
Contribution to Provident Fund	4.10	3.64
Contribution to Superannuation Fund	5.12	4.56
Gratuity	1.64	1.46
Perquisites	14.85	13.20
<b>Total</b>	<b>82.64</b>	<b>68.40</b>

During the year ended 31st March, 2015 the Board of Directors recommended a final dividend of Re 1 per equity share. This includes dividend on equity shares held by the holding company. For details of shares held by the holding company, please refer note no 2.5.



## 27 Employee benefit disclosure

The Company has classified various employee benefits as under:

### (i) Defined Contribution plans

The amounts recognized as expense :-

Rs. in Lacs

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Contribution to Provident Fund and Construction Employees Provident Fund	24.41	19.60
Contribution to Superannuation Fund	10.47	10.32

### (ii) Defined Benefit plan – Gratuity:

The following table summarizes the components of expense related to defined benefit plan recognized in the Profit and Loss account, the funded status and amounts recognized in the Balance Sheet for the plan.

Rs. in Lacs

Particulars	As at March 31, 2015	As at March 31, 2014
<b>A) Change in defined benefit obligation</b>		
Opening defined benefit obligation	40.66	35.57
Current service cost	5.76	7.13
Interest cost	3.79	2.93
Actuarial (gain)/ Losses on Obligation	4.44	(4.97)
Benefits paid	(5.55)	-
Additional provision	-	-
<b>Closing defined benefit obligation</b>	<b>49.10</b>	<b>40.66</b>
<b>B) Change in fair value of assets</b>		
Opening fair value of plan assets	41.49	31.10
Expected return on plan assets	3.61	2.71
Actuarial gain/(losses) on plan assets	1.60	0.09
Contributions by employer	0.00	7.59
Benefits paid	(5.55)	-
<b>Closing fair value of plan assets</b>	<b>41.15</b>	<b>41.49</b>
<b>C) Expenses recognised</b>		
Current service cost	5.76	7.13
Interest on Defined Benefit Obligation	0.18	2.93
Expected return on plan assets	-	(2.71)
Net Actuarial (gain) /Losses recognized	2.83	(5.07)
<b>Total expense recognized</b>	<b>8.77</b>	<b>2.28</b>
<b>D) Amount recognised in Balance sheet</b>		
Present value of Funded obligations	49.10	40.66
Fair value of plan assets	41.15	41.49
<b>Net Liability/ (Asset)</b>	<b>7.95</b>	<b>(0.83)</b>
<b>E) Actuarial assumptions</b>		
Discount Rate (p.a)	8.03%	9.31%
Expected rate of return on assets (p.a)	8.03%	8.70%
Salary Escalation rate (p.a)	4.00%	4.00%
<b>F) Experience Adjustments:</b>		
Experience adjustment on plan liability-Loss/ (Gain)	(37.49)	(1.40)
Experience adjustment on plan assets-Gain	1.60	0.09

## CASH FLOW STATEMENT

Cash Flow Statement For the Year Ended 31st March, 2015

	2014-2015		2013-2014	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
<b>A Cash flows from operating activities:</b>				
Net Profit before tax		162.04		84.28
<b>Adjustments for:</b>				
Depreciation and amortization	41.06		40.83	
Dividend income	-		(3.13)	
Wealth Tax	3.56		3.65	
Interest income	(42.84)		(19.63)	
Interest expense	7.77		13.94	
Loss on sale of investment	-		14.69	
Profit on sale of assets	(0.08)		(1.17)	
Profit on sale of investment	(0.00)		(0.11)	
Fixed assets written off	0.09		33.21	
Provision for doubtful debts	8.64		-	
Provision for expenses written back	(5.78)	12.42	(14.11)	68.17
		<u>174.46</u>		<u>152.45</u>
Adjustment for:				
Current assets, Trade receivables and Loans and advances	(68.35)		70.79	
Payables and Other liabilities	110.17	41.82	(52.88)	17.91
<b>Net cash from operating activities before income tax</b>		<u>216.28</u>		<u>170.36</u>
Taxes paid		(53.44)		(126.09)
<b>Net cash from operating activities</b>		<u>162.84</u>		<u>44.27</u>
<b>B Cash flow from investing activities:</b>				
Purchase of fixed assets	(17.38)		(33.98)	
Capital work in progress	4.43		4.27	
Sale of fixed assets	0.42		1.99	
Sale of investments	0.08		52.32	
Purchase of investments	(0.87)		-	
Dividend income	-		3.13	
Interest income	38.71		18.85	
<b>Net cash from investing activities</b>		<u>25.39</u>		<u>46.58</u>
<b>C Cash flow from financing activities:</b>				
Repayment of unsecured loan	(60.00)		-	
Repayment of secured loans	(62.22)		(20.35)	
Interest paid	(7.80)		(14.06)	
Dividend Paid	(1.17)		(29.75)	
Dividend Tax Paid	-		(4.94)	
<b>Net cash from financing activities</b>		<u>(131.19)</u>		<u>(69.10)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<u>57.04</u>		<u>21.75</u>
<b>Cash and cash equivalents at beginning of year</b>				
Cash on Hand	0.36		0.66	
Balances with Banks	115.00		112.20	
Balances with Schedule banks in Deposits accounts	224.75		205.50	
		<u>340.11</u>		<u>318.36</u>
<b>Cash and cash equivalents at end of year</b>				
Cash on Hand	0.81		0.36	
Balances with Banks	92.33		115.00	
Balances with Schedule banks in Deposits accounts	304.01		224.75	
		<u>397.15</u>		<u>340.11</u>

For and on behalf of the board of directors

As per our attached report of the even date

For K. S. AIYAR & CO.  
Chartered Accountants

Satish Kelkar  
Partner  
Membership No - 38934

PALLAVI JHA

SANJAY JHA

SHRUTHI PATNI

Chairperson and Managing Director

Whole Time Director

Chief Financial Officer

Place : Mumbai  
Date : May 6, 2015



**WALCHAND PEOPLEFIRST LIMITED**

Registered Office : 1, Construction House, 5, Walchand Hirachand Marg, Ballard Estate, Mumbai - 400 001.

**ATTENDANCE SLIP**

Please complete this Attendance Slip and hand it over at the meeting hall. It helps us to make proper arrangements. Failure to bring this Attendance Slip will cause unnecessary inconvenience to you. Please write below

Name of the member :

Registered Folio No.:

Client ID No.:

No. of Shares held :

DP ID No.:

(Please write your name in BLOCK Letters)

I/We hereby record my/our presence at the 95<sup>th</sup> ANNUAL GENERAL MEETING of the Company Scheduled to be held at Kilachand Conference Room, Indian Merchants' Chamber, IMC Marg, Churchgate, Mumbai - 400 020 on Friday, July 31, 2015 at 3:00 p.m.

Members/Proxy's Signature

(To be signed at the time of handing over this slip)

**NOTES :**

1. Members/Proxy holders are requested to bring their copy of the Annual Report with them at the meeting.
2. Please carry with you this Attendance Slip and hand over the same duly signed at the space provided, at the entrance of the meeting hall.

CUT HERE

**Form No. MGT-11 - PROXY FORM**

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

CIN: L65993MH1920PLC000791

Name of the company: WALCHAND PEOPLEFIRST LIMITED

Registered office: 1, Construction House, 5, Walchand Hirachand Marg, Ballard Estate, Mumbai - 400 001.

Name of the member (s):

Registered address:

E-mail Id:

Folio No./ Client Id :

DP ID :

I/We, being the member (s) of . . . . . shares of the above named company, hereby appoint

1. Name: . . . . .

Address: . . . . .

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

2. Name: . . . . .

Address: . . . . .

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

3. Name: . . . . .

Address: . . . . .

E-mail Id: . . . . . Signature: . . . . .

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 95<sup>th</sup> Annual General Meeting of the company, to be held on the Friday, July 31, 2015 at 3:00 p.m. at Kilachand Conference Room, Indian Merchants' Chamber, IMC Marg, Churchgate, Mumbai - 400 020 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1 . . . . .

2 . . . . .

3 . . . . .

Signed this . . . . . day of . . . . . 2015.

Signature of shareholder . . . . .

Signature of Proxy holder(s) . . . . .

Affix  
Revenue  
Stamp

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

# Book Post



**WALCHAND PEOPLEFIRST LIMITED**

Registered office : 1, Construction House, 5, Walchand Hirachand Marg, Ballard Estate, Mumbai - 400 001.

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