

**BOARD OF DIRECTORS**

❖ Chairman	<b>Mr. V.Srinivasan</b>
❖ Directors	<b>Mr. K.Raman</b> <i>(upto 4th November 2015)</i> <b>Mr. G.Balasubramanyan</b> <i>(upto 4th November 2015)</i> <b>Mr. K.Rajasekar</b> <b>Mr. Ramachandran Karthik</b>
❖ Company Secretary	<b>Ms. Hema Pasupatheeswaran</b> <i>(upto 31<sup>st</sup> August 2016)</i>
❖ Chief Financial Officer	<b>Mr. B.Swaminathan</b>
❖ Bankers	<b>Punjab National Bank</b> <b>Indian Overseas Bank</b> <b>State Bank of India</b>
❖ Auditors	<b>M/s. S.Viswanathan LLP, Chartered Accountants</b> <b>17, Bishop Wallers Avenue (West)</b> <b>CIT Colony, Mylapore,</b> <b>Chennai - 600 004.</b>
❖ Registered Office	<b>108, Mount Poonamallee Road,</b> <b>Porur, Chennai - 600 116.</b> <b>Phone : 91-44-6650 0811</b> <b>Fax : 91-44-6650 0882</b>

<b>Content</b>	<b>Page Nos.</b>
Notice	2 - 6
Boards' Report & Its Annexures	7 - 39
Auditors' Report	40 - 45
Balance Sheet	46
Statement of Profit and Loss	47
Cash Flow Statement	48 - 49
Notes	50 - 67
Consolidated Accounts	68 - 88



**W.S.INDUSTRIES (INDIA) LIMITED**

CIN: L29142TN1961PLC004568

**Registered Office:**

**108, Mount Poonamallee Road, Porur, Chennai - 600 116.**

**NOTICE**

NOTICE is hereby given that the 53<sup>rd</sup> Annual General Meeting (AGM) of the Company will be held on Wednesday, the 28<sup>th</sup> December 2016, at 4.00 P.M. at Asha Nivas Social Service Centre, 9, Rutland Gate, 5<sup>th</sup> Street, Chennai - 600 006, to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2016 and Statement of Profit and Loss for the year ended on that date together with the Board's Report and Auditors' Report.
2. To ratify the appointment of the Statutory Auditors of the Company for the year 2016-2017 and in this regard to consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and all other applicable provisions of the Companies Act 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of M/s. S.Viswanathan LLP, Chartered Accountants, Chennai, (Firm Registration No.004770S), as the Statutory Auditors of the Company for the financial year 2016-17 to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting on such remuneration as may be determined by the Board of Directors.

**SPECIAL BUSINESS**

**Appointment of Mr.Ramachandran Karthik as Director**

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

"RESOLVED that pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 ("Act"), Mr. Ramachandran Karthik (DIN 07627521), who was appointed as an Additional Director of the Company by the Board of Directors and whose term of office expires at this Annual General Meeting ('AGM') and in respect of whom the Company has received a Notice in writing from a Member along with the deposit of the requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years with effect from the date of appointment of additional director."

BY ORDER OF THE BOARD  
FOR W.S.INDUSTRIES (INDIA) LIMITED  
B. SWAMINATHAN  
CHIEF FINANCIAL OFFICER

Chennai  
14<sup>th</sup> November, 2016

**NOTES:**

1. A Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.
2. A member entitled to attend and vote is entitled to appoint a proxy or where that is allowed, one or more proxies, to attend and vote instead of himself, and that a proxy need not be a member. Proxies, to be effective, must be received by the Company not less than 48 hours before the meeting.



3. Pursuant to provisions of Section 105 of the Companies Act, 2013, read with the applicable rules thereon, a person can act as a proxy on behalf 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, may appoint a single person as proxy, who shall not act as a proxy for any other member.
4. 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 their representative to attend and vote on their behalf at the meeting.
5. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
6. Members are requested to bring their copies of Annual Report to the Meeting. In order to enable us to register your attendance at the venue of the Annual General Meeting, members are requested to please bring their folio number / demat account number / DP ID-Client ID to enable us to provide a duly filled attendance slip for your signature and participation at the meeting.
7. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. The Register of Members and Share Transfer Books of the Company will remain closed from 19<sup>th</sup> December 2016 to 28<sup>th</sup> December 2016 (both days inclusive).
9. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration Rules), 2014, companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository. To support the 'Green Initiative' Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e-mail address to M/s.Integrated Enterprises (India) Limited, 2<sup>nd</sup> Floor, 'Kences Towers', No.1, Ramakrishna Street, North Usman Road, T.Nagar, Chennai - 600 017.
10. Members holding shares in demat form are requested to register/update their e-mail address with their Depository Participant(s) directly. Members of the Company, who have registered their email-address, are entitled to receive such communication in physical form upon request.
11. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the registered office of the Company during business hours except on holidays, up to and including the date of the Annual General Meeting of the Company.
12. Pursuant to Section 108 of the Companies Act, 2013 read with related Rules and Regulation 44, SEBI Listing Obligations and Disclosure Requirements (LODR), 2015, the Company is pleased to provide the facility of remote e-Voting to all members as per the applicable Regulations relating to e-Voting. A separate e-Voting instructions slip has been sent explaining the process of e-Voting with necessary user id and password along with procedure for such e-Voting. Such remote e-Voting facility is in addition to voting that may take place at the meeting venue on December 28, 2016. The Company has appointed Ms.Lakshmmi Subramanian, Partner M/s.Lakshmmi Subramanian & Associates, Practising Company Secretaries, to act as the Scrutinizer, to scrutinize the e-Voting process in a fair and transparent manner.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

The following statement sets out all material facts relating to special Business mentioned in the accompanying Notice:

Mr. Ramachandran Karthik was appointed as an Additional Director w.e.f. 1<sup>st</sup> November 2016 in accordance with the provisions of Section 161 of the Companies Act, 2013. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the Company proposing Mr. Ramachandran Karthik candidature for appointment as Director of the Company along with requisite deposit.

## W.S. INDUSTRIES (INDIA) LIMITED



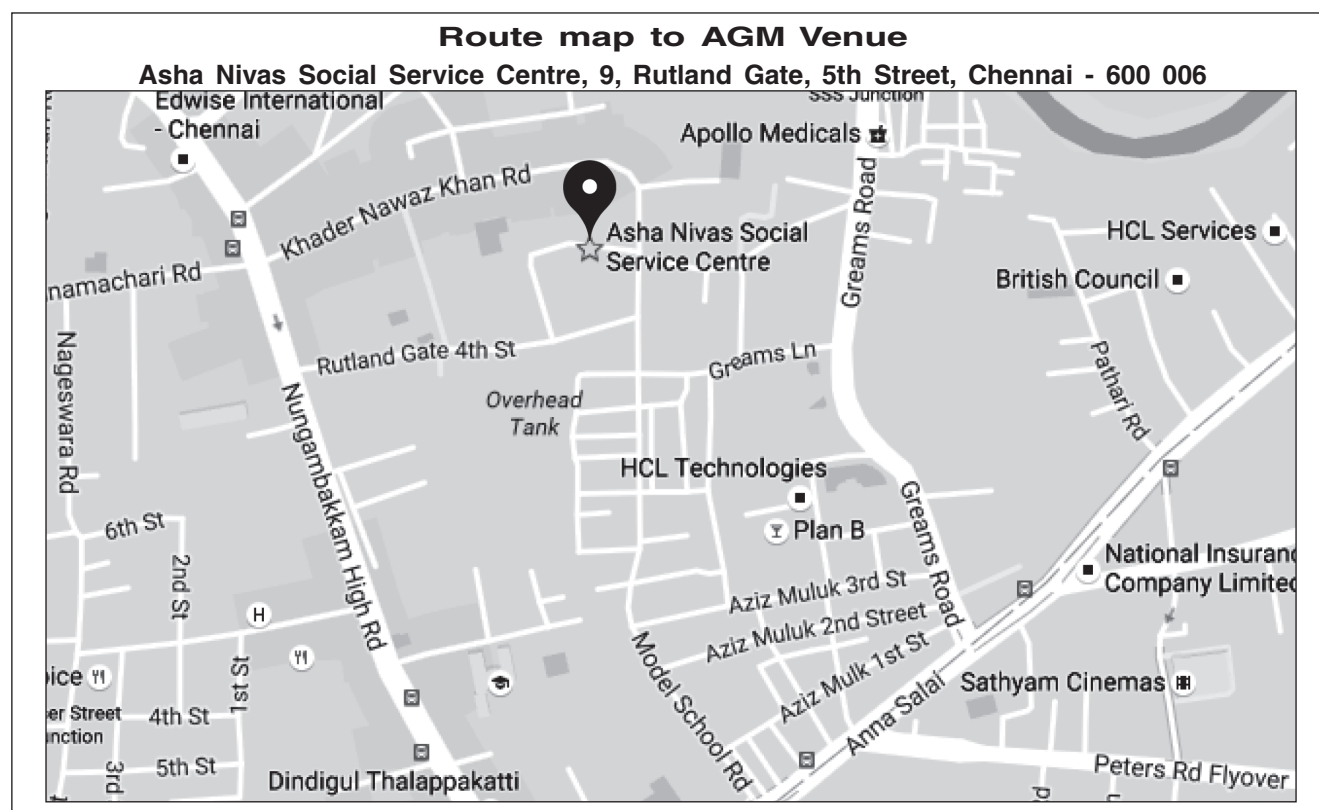
This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013. The disclosure required under Regulation 26(4) of Listing Regulations is given below:

Name of the Director	Mr. Ramachandran Karthik
Date of birth	18/01/1961
Date of appointment	1/11/2016
Qualification & expertise	Mr. Ramachandran Karthik is an engineer by qualification. He has had nearly thirty years of experience in various organisations in various functional areas including project management. His expertise and organisational skills will assist the Company in finalising & implementing its revival process.
Shareholding	Nil
Other Directorships	Nil
Membership of the Committees of the Board of other companies	Nil
Relationship with other Directors	Nil

None of the Directors or their relatives are in any way concerned or interested in the said resolution. The Board recommends above resolution to be passed as an ordinary resolution.

BY ORDER OF THE BOARD  
FOR W.S.INDUSTRIES (INDIA) LIMITED  
B. SWAMINATHAN  
CHIEF FINANCIAL OFFICER

Chennai  
14<sup>th</sup> November, 2016



## **e-Voting procedures**

### **e-Voting Instructions**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 read with related Rules and Regulation 44, SEBI Listing Obligation and Disclosure requirements, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 53<sup>rd</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-Voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through polling paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-Voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-Voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-Voting period commences on 24<sup>th</sup> December 2016 (9:00 am) and ends on 27<sup>th</sup> December 2016 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21<sup>st</sup> December 2016, may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
  - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company / Depository Participant(s)] :
    - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-Voting. Please note that the password is an initial password.
    - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
    - (iii) Click on Shareholder - Login
    - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
    - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
    - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
    - (vii) Select "EVEN" of "W.S.Industries (India) Limited".
    - (viii) Now you are ready for remote e-Voting as Cast Vote page opens.
    - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
    - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
    - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
    - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [lakshmmi6@gmail.com](mailto:lakshmmi6@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)



- B. In case a Member receives physical copy of the Notice of 53rd AGM [for members whose email IDs are not registered with the Company / Depository Participant(s) or requesting physical copy]:
- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:  
EVEN (Remote e-Voting Event Number) USER ID PASSWORD/PIN
  - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-Voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-Voting then you can use your existing user ID and password / PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 21<sup>st</sup> December 2016.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 21<sup>st</sup> December 2016, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [corpserv@integratedindia.in](mailto:corpserv@integratedindia.in).
- However, if you are already registered with NSDL for remote e-Voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-Voting but shall not be allowed to vote again at the 53<sup>rd</sup> AGM
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting as well as voting at the AGM through ballot paper.
- XIII. Ms. Lakshmmi Subramanian, Partner M/s. Lakshmmi Subramanian & Associates, Practising Company Secretaries has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-Voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the 53<sup>rd</sup> AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Poling Paper" for all those members who are present at the 53<sup>rd</sup> AGM but have not cast their votes by availing the remote e-Voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-Voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the 53<sup>rd</sup> AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company on 31<sup>st</sup> December 2016 and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the shares of the Company are listed.



**BOARD'S REPORT 2015-2016**

The Members

Your Directors hereby present the Fifty Third Annual Report on the business and operations of the Company and the Audited Financial Statements for the Financial Year ended 31<sup>st</sup> March 2016. The salient highlights are provided in the table below:

(₹ in Million)

	For the period ended 31 <sup>st</sup> March 2016 (12 months)	For the period ended 31 <sup>st</sup> March 2015 (6 months)*
Sales and other operational income	44.09	99.58
Other Income	7.00	20.78
Total Income	51.09	120.36
Gross Profit / (Loss) from Operations	(290.28)	(185.55)
Less : Depreciation	115.78	62.86
Interest / Finance Charges	12.93	236.06
Net Profit / (Loss) for the year	(418.99)	(484.47)
Provision / (withdrawal) for Income Tax / Deferred Tax	–	(15.00)
Net Profit / (Loss) for the year after Tax	(418.99)	(469.47)
Profit / (Loss) brought forward from the previous year	(1974.01)	(1426.99)
Depreciation on transition to Schedule II of the Companies Act, 2013	–	(77.54)
Surplus / (Deficit) / carried to Balance Sheet	(2393.00)	(1974.01)

\* The figures given in the previous period and the current period are not comparable.

## 1. Results of our operations

Due to mounting losses, inadequacy of working capital and other support, operations have slowed down and the Company had suspended the manufacturing operations at the Chennai plant. The Company will take the directions of the Hon'ble BIFR in finalizing a revival scheme along with the appointed Operating Agency.

### Consolidated Financial Statements

Your Company is also presenting the Audited Consolidated Financial Statements prepared in accordance with the Accounting Standard 21 issued by the Institute of Chartered Accountants of India.

### Status of filing under BIFR

Upon erosion of entire net worth of your Company, your Company had become a Sick Industrial Company as per the provisions of Sick Industrial Companies (Special Provision) Act 1985 (SICA). Accordingly, your Company filed a Reference with the Board for Industrial and Financial Reconstruction (BIFR) which has since been registered as Case No.75/2015 by the Hon'ble BIFR for adopting such measures for the rehabilitation and revival of the Company.

## 2. Dividend

In view of the losses mounted, the Directors regret that it will not be possible to propose any dividend on the Equity Shares.

The Directors also regret their inability to recommend any payment of contracted dividend on Preference Share Capital for the same reasons.

## 3. Reserves

Since the Company has suffered losses, no transfer to reserve was provided.

**4. Particulars of loans, guarantees or investments**

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the Financial Statements provided in this Annual Report.

**5. Related Party Transactions**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions during the year, which in the opinion of the Board may have potential conflicts with the larger interests of the Company. The details of transactions with related parties have been provided in Notes to accounts point no.38 of Financial Statements.

The policy on related party transactions is available in the Company's website.

**6. Fixed Deposits**

Your Company has not accepted any Fixed Deposits and as such no amount of principal or interest was outstanding as of the Balance Sheet date.

**7. Management Discussion and Analysis Report**

A report on the Management Discussion and Analysis is annexed herewith as Annexure - 1 and forms part of this report.

**8. Corporate Governance**

A separate report on Corporate Governance along is appended as Annexure - 2 and forms part of this report.

**9. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in Annexure - 3 to this Report.

**10. Extract of Annual Return**

As provided under Section 92 (3) of the Companies Act, 2013, the extract of Annual Return of the Company is annexed herewith as Annexure - 4 in the prescribed Form MGT 9 which forms part of this Report.

**11. Material changes and commitment affecting financial position between the Financial Year ended 31<sup>st</sup> March 2016 and the date of this Report**

There are no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report; and there are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

The attention is drawn to Note No.46 of Financial Statements about the external claim on part of the land belonging to the premises of Chennai plant and potential loss of material arising there of which can be quantified only after proper assessment which would not be done so far because of labour unrest which has prevented company officials from entering in the premises.

**12. Updation on Risk Management Policy**

The Company implemented the Risk Management Policy last financial year, as per the requirements of the Companies Act, 2013. The Board regularly reviews the said policy and the risks identified therein.

**13. Subsidiaries**

During the period under review, your Board of Directors have reviewed the Financial Statements of the 100% subsidiary as well as the step subsidiary. Your Company has, in accordance with Section 129 (3) of the Companies Act, 2013 prepared the Consolidated Financial Statements for the Financial Year ended 31<sup>st</sup> March 2016, which forms part of the Annual Report. Further the statement containing the salient features of the Financials of the subsidiaries is given in the Financial Statements forming part of this Report.





In accordance with Section 136 of the Companies Act, 2013, the audited consolidated and standalone financial statements are available on our website [www.wsindustries.in/KYC](http://www.wsindustries.in/KYC).

**14. Corporate Social Responsibility**

Section 135 of the Companies Act, 2013 pertaining to Corporate Social Responsibility is not applicable in our case.

**15. Internal Financial Controls**

Your Company has adequate internal financial controls with respect of financial reporting.

**16. Directors and Key Managerial Personnel (KMP)**

During the year under review, Mr.K.Raman and Mr.G.Balasubramanyan, resigned as Directors, stating personal reasons, effective 4<sup>th</sup> November 2015. The Board took note of the said resignations on 13<sup>th</sup> November 2015 and placed on record its appreciation and gratitude for the long service, guidance and immense contribution made by the said Directors.

Mrs.Hema Pasupatheeswaran resigned as Director effective 25<sup>th</sup> December 2015.

Mr.Ramachandran Karthik was appointed as Additional Director of the Company by the Board of Directors whose term of office expires at this AGM. The Company has received a Notice in writing from a Member along with the deposit of the requisite amount for appointment as Independent Director and the same is being placed before the Annual General Meeting for the approval of the Members. A brief profile of the Mr.Ramachandran Karthik is provided under the Corporate Governance Report and in the Notice of the Annual General Meeting.

Your Company is making all efforts to identify and induct suitable persons on Board to fill in the vacancies caused due to resignations of directors.

No employee draws remuneration in excess of the limits prescribed under Rule 5(2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel Rules, 2014. Remuneration drawn by KMP remains unchanged from the previous year. Therefore details pertaining to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 have not been provided.

**17. Meetings of the Board**

Six Board Meetings were held on 30<sup>th</sup> May 2015, 14<sup>th</sup> August 2015, 13<sup>th</sup> November 2015, 30<sup>th</sup> December 2015, 13<sup>th</sup> February 2016 and 30<sup>th</sup> March 2016 during the Financial year covered by this Report. For further details, please refer the Corporate Governance Report of this Annual Report.

**18. Audit Committee, its composition and functions**

The Audit Committee comprised of 3 directors viz., Mr.K.Raman, Mr.V.Srinivasan and Mr.G.Balasubramanyan. However with the resignation of two directors Mr.G.Balasubramanyan and Mr.K.Raman, the strength of the Audit Committee is reduced. As already mentioned above Your Company is making all efforts to identify and induct new members on Board and accordingly the Audit Committee. All recommendations made by the Audit Committee during the period under review, were accepted by the Board.

**19. Auditors****Statutory Auditors**

M/s.S.Viswanathan LLP, Chartered Accountants, (Reg No. 004770S/S20025; Membership No.023305) were appointed as Statutory Auditors of the Company for a period of three years at the Annual General Meeting held on 27<sup>th</sup> March 2015. Their appointment is to be ratified every year at the Annual General meeting as per the provisions of Section 139(1) and the said appointment is placed for the ratification of the shareholders at the ensuing Annual General Meeting.

With reference to the Auditor's Report, the explanation / comments against each Disclaimer of opinion and Emphasis of matter is annexed herewith as "Annexure - 5"

**Secretarial Auditor**

Pursuant to the requirements of Section 204 (1) of the Companies Act, 2013 and Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, Ms. Lakshmmi Subramanian (Membership No. 3534 CP No. 1087), Partner, M/s. Lakshmmi Subramanian & Associates, was appointed as the Secretarial Auditor to conduct the Secretarial Audit of the Company for the Financial Year 2015-2016. The Secretarial Audit Report for the Financial year 2015-2016, is enclosed as Annexure - 6 to this Report.

**Comment on Secretarial Auditor Report**

With reference to the observations made by the secretarial auditor, Ms. Lakshmmi Subramanian, Practicing Company Secretary, in her Secretarial Audit Report, your Company has taken the corrective measures during the current financial year.

**20. General**

On the Industrial front, the Chennai plant witnessed labour unrest and the Company is working towards solution for its Chennai workmen under the Revival Scheme of BIFR.

For the Vizag plant, due to severe cash flow stress, the Company was not in a position to continue to meet the employee cost and hence a retrenchment order was sanctioned by the Development Commissioner, Visakhapatnam Special Economic Zone, Visakhapatnam as provided for under the appropriate acts which has since been completely implemented.

The Company has, in accordance with the generally accepted accounting practice, disclosed the impact of pending litigations on its financial position in its financial statements

**21. Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013**

During the year under review, there were no complaints under this Act.

**22. Director's Responsibility Statement**

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- a. In the preparation of the annual accounts, the applicable accounting standards have been followed.
- b. The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended 31<sup>st</sup> March 2016 and of the profit or loss of the Company for the period under review.
- c. The directors have 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 have prepared the annual accounts on a going concern basis.
- e. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively, taking into consideration the current circumstances and
- f. The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively taking into consideration the current circumstances.

**23. Acknowledgement**

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their appreciation for the committed services by the Company's executives, staff and workers.

Place : Chennai

Date : 14<sup>th</sup> November 2016

FOR AND ON BEHALF OF THE BOARD  
V. SRINIVASAN  
CHAIRMAN