

FINANCIAL HIGHLIGHTS

(Rs. in Lac)

| Particulars | 2010 | 2009 | 2008 | 2007 | 2006 |
|--|-------|-------|-------|------|------|
| Financial Positions | | | | | |
| Share Capital | 797 | 797 | 797 | 797 | 797 |
| Reserves & Surplus (Net of Revaluation Reserve) | 2660 | 1510 | 775 | 290 | 143 |
| Net Worth | 3457 | 2307 | 1572 | 1087 | 940 |
| Gross Block | 4085 | 3422 | 2760 | 2760 | 2471 |
| Accumulated Depreciation | 1824 | 1678 | 1560 | 1607 | 1526 |
| Net Block | 2261 | 1744 | 1200 | 1153 | 945 |
| Summary of Operations | | | | | |
| Total Income | 21721 | 16607 | 11650 | 7009 | 7941 |
| Profit before Interest, Depreciation & Tax | 2537 | 1732 | 1166 | 678 | 502 |
| Interest | 356 | 412 | 334 | 287 | 293 |
| Depreciation | 143 | 116 | 78 | 99 | 102 |
| Profit/(Loss) before Tax | 2038 | 1204 | 754 | 292 | 107 |
| Profit/(Loss) after Tax | 1337 | 828 | 495 | 148 | 52 |
| Dividend | 186 | 93 | Nil | Nil | Nil |
| Earnings Per Share (Rs.) | 16.78 | 10.39 | 6.22 | 1.85 | 0.66 |

DIRECTORS

P. AGARWAL
— *Managing Director*

K. K. GANERIWALA
— *Executive Director*

V. N. AGARWAL
SAMARENDRA NATH ROY
SHYAMAL MITRA
BINAYA KAPOOR

AUDITORS

V. SINGHI & ASSOCIATES
Chartered Accountants

**GENERAL MANAGER (Finance)
AND COMPANY SECRETARY**

U. CHAKRAVARTY

BANKERS

STATE BANK OF BIKANER AND JAIPUR
STATE BANK OF INDIA
IDBI BANK LIMITED
YES BANK LIMITED
CENTRAL BANK OF INDIA
ALLAHABAD BANK

REGISTRAR

MCS LIMITED
77/2A, HAZRA ROAD, KOLKATA-700 029
PHONE NO. : (033) 2454 1892/93
FAX NO. : (033) 2454 1961
E-MAIL : mcskol@rediffmail.com

REGISTERED OFFICE

TRINITY PLAZA, 3RD FLOOR
84/1A, TOPSIA ROAD (SOUTH)
KOLKATA-700 046

EASTERN REGION OFFICE

6, OLD POST OFFICE STREET
KOLKATA-700 001

WESTERN REGION OFFICE

10 & 11, BHAGTANI ENCLAVE
SONAPUR LANE
OFF. L. B. S. MARG
BHANDUP WEST
MUMBAI- 400 078

SOUTHERN REGION OFFICE

1B, 1ST FLOOR, MANDIRA APARTMENT
23-A, DR. B. N. ROAD
T. NAGAR
CHENNAI- 600 017
CHAMBER 4, 1ST FLOOR
Opp. LB. STADIUM
K. L. K. ESTATE
5-9-62, FATEH MAIDAN ROAD
HYDERABAD-500 001

NORTHERN REGION OFFICE

A-5, SECTOR 22, MEERUT ROAD
GHAZIABAD-201 003 (U.P.)

MANUFACTURING FACILITIES

- i) 22, FERRY FUND ROAD, PANIHATI, SODEPUR
KOLKATA-700 114 (W.B.)
- ii) A-5, SECTOR 22, MEERUT ROAD
GHAZIABAD-201 003 (U.P.)
- iii) 180/176, UPEN BANERJEE ROAD
KOLKATA-700 060
- iv) BIREN ROY ROAD (WEST)
GANIPUR, MAHESHTALA
24 PARGANAS (SOUTH)
PIN-743 352

WPIL Limited**NOTICE OF THE ANNUAL GENERAL MEETING TO THE MEMBERS**

NOTICE is hereby given that the FIFTY SIXTH ANNUAL GENERAL MEETING of the members of the Company will be held at “Kala Kunj” (Basement) Hall, Kalamandir, 48, Shakespeare Sarani, Kolkata-700 017 on Friday, the 23rd day of July, 2010 at 10:00 A.M. to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010, the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To declare Dividend.
3. To appoint a Director in place of Mr. Samarendra Nath Roy who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Shyamal Mitra who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
5. To re-appoint M/s. V. Singhi & Associates, Chartered Accountants, as the Auditors of the Company, who retire at the conclusion of this Annual General Meeting, to hold office till the conclusion of the next Annual General Meeting with authority to the Board of Directors of the Company to fix their remuneration.

SPECIAL BUSINESS :

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

“RESOLVED THAT in supersession of the Resolution passed at the Annual General Meeting held on 19th July, 2008 and pursuant to the provisions of Section 293(1)(d) of the Companies Act, 1956, the Company hereby accords its consent to the Board of Directors for borrowing any sum or sums of money from time to time from any one or more of the Company’s bankers and/or from anyone or more other persons, firms, bodies corporate or financial institutions whether by the way of advance or deposits, loans or bills discounting or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company’s assets and properties whether movable or Stock-in-trade (including raw materials, stores, spare parts and components in stock or in transit) and work-in-progress and all or any of the undertakings of the Company notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loan obtained from the Company’s bankers in the ordinary course of business) will or may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose but so however that the total amount up to which the money may be borrowed by the Board of Directors and outstanding at any one time shall not exceed the sum of Rs. 200 Crores only exclusive of interest, and the Directors are further authorised to execute such deeds of debentures and debenture trust deeds or mortgage, charge, hypothecation, lien, promissory notes, deposit receipts, and other deeds and instruments or writings as they may think fit and containing such conditions and covenants as the Directors may think fit.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in the absolute discretion consider necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in respect thereto.”

Registered Office :
Trinity Plaza, 3rd Floor
84/1A, Topsia Road (South)
Kolkata-700 046

Dated 30th April, 2010
Place : Kolkata

By Order of the Board

U. CHAKRAVARTY
General Manager (Finance)
and Company Secretary

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company. The proxy in order to be effective must reach the Registered Office of the Company at least 48 hours before the time fixed for the meeting.
2. The Dividend, if approved at the forthcoming Annual General Meeting, will be paid to those shareholders, whose names are registered at the close of business on 23rd July, 2010 or to their mandates subject however to the provisions of Section 206A of the Companies Act, 1956.
3. The Register of Members and Share Transfer Books will remain closed from Wednesday, 14th July, 2010 to Friday, 23rd July, 2010 (both days inclusive) for payment of dividend to Equity Shares. In respect of shares held in electronic form, dividend will be paid on the basis of beneficial ownership as per details furnished by depositories for this purpose.
4. Mr. U. Chakravarty, General Manager (Finance) and Company Secretary is the Compliance Officer in terms of Clause 12B of the Listing Agreement with the Stock Exchanges. Members may communicate with the Compliance Officer in relation to any query pertaining to their shareholdings.
5. As per the provisions of the Companies Act, 1956 the facility for making nominations is available to Members in respect of their shares in the Company. Nomination forms can be obtained from MCS Limited, Registrar and Share Transfer Agent of the Company, in case they hold shares in physical form. If they hold the shares in dematerialized form, they may contact their respective depositories for such nomination.
6. Members who hold the shares in physical form are requested to inform the R&T Agents, their Income Tax Permanent Account Number (PAN)/General Index Register Number (GIR) if any, allotted to them by the Income Tax authorities.
7. Members holding shares in physical form are requested to notify change in addresses, if any, quoting their folio numbers to the R&T Agent of the Company.
8. Members holding shares in multiple folios are requested to submit their application to R&T Agent for consolidation of folios into single folio.
9. Members holding shares in physical form are requested to note that in order to avoid any loss/interception in postal transit and also to get prompt credit of dividend through Electronic Clearing Services (ECS) they should submit their ECS details. Alternatively, members may provide details of their bank account quoting their folio numbers to the R&T Agent to enable them to print such details on the dividend warrants.

10. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be printed on the dividend warrants as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such members for change/deletion in such bank details. Further instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to the dividend paid on shares held in electronic form. Members may therefore give instructions regarding bank accounts in which they wish to receive dividend, to their Depository participants.

Request to the Members :

1. Members desiring any relevant information on the Accounts at the Annual General Meeting are requested to write to the Company at least seven days in advance, so as to enable the Company to keep the information ready.
2. Member are requested to quote their Ledger Folio No. or Client ID and DP ID numbers in all communications with the Company.
3. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of Annual Report to the Meeting.
4. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for ensuring easy identification of attendance at the Meeting.
5. For convenience of the Members, Attendance slip is annexed to the proxy form. Members are requested to fill in and affix their signatures at the space provided therein and handover the Attendance slip at the entrance of the place of meeting. Proxy/Representative of a member should mark on the Attendance slip as "Proxy" or "Representative" as the case may be.

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956

RESOLUTION AT ITEM NO. 6

The shareholders of the Company at their fifty fourth Annual General Meeting held on 19th July, 2008 fixed up the maximum borrowing power of the Company at Rs.75 Crores. With the substantial growth business activities of the Company over last two years, it has become necessary to arrange more financial accommodation from bankers to sustain the increased volume of business of the Company. The Board of Directors of the Company consider that the existing borrowing power ceiling is incompatible compared to the trend to growth of activities of the Company which deserves revision to Rs. 200 Crores. This will provide a better leverage to the Company to arrange financial accommodation from its bankers consistent to the growth of activities of the Company.

The Directors feel that above resolution is beneficial to the interest of the Company and recommend the same for the approval of the Shareholders.

No Director of the Company is interested or concerned in the said Resolution.

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84/1A, Topsia Road (South)
Kolkata-700 046

Dated 30th April, 2010
Place : Kolkata

By Order of the Board

U. CHAKRAVARTY
General Manager (Finance)
and Company Secretary

Details of Directors seeking appointment/re-appointment at the Annual General Meeting in pursuance of Clause 49VI(A)(G) of the Listing Agreement :

| Name of the Director | Mr. Samarendra Nath Roy | Mr. Shyamal Mitra |
|-----------------------------|---|--|
| Date of Birth | 21.06.1943 | 03.12.1937 |
| Date of First Appointment | 23.05.2005 | 21.07.2006 |
| Qualifications | B.Tech. (Hons) in Electrical Engineering from IIT Kharagpur | M.Com., FCA |
| No. of Shares Held | NIL | NIL |
| Nature of Expertise | Having 42 years post qualification experience in project management and execution of many big engineering projects including Farakka Super Thermal Power Project and Bakreshwar Thermal Power Station. Mr. Roy was Executive Director of BHEL, Bhopal and Jhansi units. | Having vast experience in Corporate Finance, Accounts, Taxation Legal and other aspects of Corporate Management in diversified fields. |
| Other Directorships | 1) North Dinajpur Power Ltd. 2) Rajgarh Bio Power Ltd. 3) Super Wind Project (P) Ltd. 4) Techno Ganga Nagar Green Power Generating Co. Ltd. 5) Techno Birbhum Green Power Generating Co. Ltd. 6) Techno Electric & Engineering Co. Ltd. 7) Simran Wind Project (P) Ltd. | 1) Barua Associates Ltd. 2) Merlinmig Finance (P) Ltd. 3) Rukh Exports & Imports (P) Ltd. |

DIRECTORS' REPORT TO THE MEMBERS

The Directors of the Company have the pleasure in presenting their 56th Annual Report on the business and operations of the Company for the financial year ended 31st March, 2010.

FINANCIAL HIGHLIGHTS

| | 2009-10 (Rs. in Lacs) | 2008-09 (Rs. in Lacs) |
|---|--|--|
| Total Income | 21721.44 | 16606.99 |
| Profit before Interest, Depreciation and Taxation | 2536.42 | 1731.19 |
| Interest | 355.58 | 411.79 |
| Depreciation | 143.07 | 115.67 |
| Profit before Taxation | 2037.77 | 1203.73 |
| Provision for Taxation | 701.08 | 375.85 |
| Profit after Taxation | 1336.69 | 827.88 |
| Balance brought from previous year | 1058.91 | 524.24 |
| Profit available for appropriation | 2395.60 | 1352.12 |
| Transfer to General Reserve | 500.00 | 200.00 |
| Proposed Dividend with Tax on Dividend | 186.42 | 93.21 |
| Balance Carried forward to Balance Sheet | 1709.18 | 1058.91 |

OPERATIONS

The Company crossed the milestone of Rs. 200 Crores in revenue and achieved higher profitability in the Financial year 2009-10. The growth continues to be balanced across the 3 divisions with the Project Division making the largest improvement. Furthermore, continued strong order booking assures future growth for the Company's business. Focus on enhancing infrastructure requirement is paying dividends in the form of enhanced production allowing the Company to further improve deliveries. The vertical integration of the Company into a solution provider provides both interesting opportunities and value added services.

The Company is primarily focused to strengthen its business and move up the value chain, thereby delivering enhanced value to its customers and other stakeholders. The Company was able to achieve above remarkable growth even amidst difficult environment, giving its confidence to show better results as the economic revival gathers momentum. With the economic outlook turning positive and further emphasis laid by the Government on expansion of power and irrigation sector, the Company will be better placed to deliver even greater value to all its stakeholders. The Company is consciously honing its marketing strategies with a focus to deliver on time more quality product to its customers in a bid to strengthen its brand value.

Total revenues of the Company for the year 2009-10 was 21721.44 lacs representing a growth of 30.80% (Rs. 16606.99 lacs for the previous year ended March, 31, 2009). The Net profit after tax taxation was Rs. 1336.69 lacs as against Rs. 827.88 lacs in the previous year signifying a robust growth of 61.46%. Earning per share grew by 61.50 % to Rs. 16.78 from Rs. 10.39 of last year. This growth in sales and profits is a result of greater volumes achieved due to capacity

expansions previously undertaken. This growth is also due to enhanced market penetration in the Irrigation and Industrial sector along with the growth of the Project division. The Company intends to further consolidate its market presence and increase its market share on the back of clear marketing strategies and enhanced manufacturing capacities. It is to be noted that considerable capital investment has been made this year to create these capacities.

DIVIDEND

After considering the performance for the year, cash flow, erosion of General Reserve for the performance of the past and necessity to augment its working capital to sustain the growth of activities in the coming year, the Directors of the Company are pleased to recommend dividend of two rupees per share for the year ended 31st March, 2010.

The Dividend, if approved at the forthcoming Annual General Meeting, will be paid to those shareholders whose names are registered at the close of the business on 23rd July, 2010 or to their mandates subject however, to the provisions of Section 206A of the Companies Act, 1956.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required by the Clause 49 of the Listing Agreement with Stock Exchanges, the Management discussion and analysis report during the year under review is appended below:-

A. BUSINESS

The Company is engaged in the business of water handling – from supply of pumps to turnkey project execution. This includes supply of pumps of various types to the power sector/irrigation sector/water supply sector and industrial sector. Besides this, the Company provides turnkey execution for water handling projects in all the above sectors by leveraging its tremendous engineering capability and vast experience in the above fields.

B. BUSINESS ENVIRONMENT

The Financial year 2009-10 was one of recovery as International Governments tried to prime demand with monetary measures to prevent the fall out of the previous year credit crisis. Easier liquidity created demand leading to industrial buoyancy. Large numbers of industrial projects were announced this year. The Central Government focus is clearly on infrastructure developments with power generation as the main focus. Strong Government policies and business opportunities are allowing private and Government power producers to add more than 15000 MW/year. Large numbers of projects have been awarded and more are to follow. This augurs well for the Company as it sees more opportunities for its products and service in the years to come.

Parallel to this, the JNURM Scheme is further gaining momentum with all State Governments actively participating in providing good urban infrastructure. Large number of water supply and drainage projects have been announced which again provide good opportunities for the Company.

C. OPERATIONAL REVIEW

As indicated last year, the Company crossed Rs. 200 Crores in sales and is hoping to maintain the rate of growth in the next year. Again it is supported by a strong order book which is exceeding Rs. 350 crores.

Kolkata Division : This division now has 3 facilities which have greatly enhanced its manufacturing capability allowing improved delivery times. This division continued to execute project orders for NTPC and other private power producers as well as the irrigation sector. It also maintained export of specialized pumps to countries like Saudi Arabia, Thailand, Latin America and Middle East. This division is now focusing on volume expansion to meet the huge demand of the power sector.

Ghaziabad Division : This division of the Company continued its growth by further improvement in its Horizontal pump manufacturing. Large number of specialized and large pumps were supplied both to the domestic and export market. This division continues to have good order book and is well placed for future growth.

Infrastructure Division : This division made the largest improvement as it grew in stature with the increased revenues and a very strong order book. Further competencies in allied areas such as civil and instrumentation have been added to enable further turnkey capability. This division booked orders across all sectors like Power, Irrigation and Industry. With the announcement of large number new projects, this division looks at enhanced growth in the years to come.

D. FUTURE OUTLOOK

The Company, being one of the leaders in pump industry has tremendous potential for further growth with an expanding market and is increasing market share. The Company has outlined growth plans for all the aforesaid divisions to meet the growing needs for its products and services. Future outlook is one of enhanced profitability and growing revenues as the Company continues on its growth path and improves both market share and creates new markets for its products and services. All 3 divisions are evidencing good order backlog, which should translate into higher sales in the future. The Management is planning for the future and making necessary investments to facilitate this growth.

E. OPPORTUNITIES AND THREAT, RISK AND CONCERNS

The Company has strengthened itself with necessary manufacturing infrastructure and financial health to be a very strong Company in its sector. Its products have a technical edge in the market and are the preferred choice of its customers. Along with this its support services and team of competent, qualified and experienced personnel command great respect in the market place. A combination of such strong qualities should help to maintain its growth plans.

The presence of all major international pump companies in India would be a threat to Company's growth. However, the Company continues to improve its value offering on both quality and cost fronts to maintain its competitive edge.

F. INTERNAL CONTROL SYSTEM

The Company has a well-structured Internal Control Mechanism and the same is monitored by the Internal Audit conducted by external professional audit firm, which independently reviews and strengthens the control measures. The internal audit teams regularly briefs the management and the Audit Committee on their findings and also recommend the steps to be taken with regard to deviations if any.

G. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company lays significant importance for all round developments of its Human Resources with special emphasis to train the employees at all levels to enhance their effectiveness in their contribution to the overall performance of the Company through skill upgradation, knowledge improvement and attitudinal change. These enable the employees at all levels to cope with the competitive environment through which the Company is passing at present and to achieve the desired corporate objective.

The industrial relations climate in the Company continued to remain harmonious and cordial. The Company has a vibrant atmosphere and able to face challenges of economic downturn with fortitude. Various welfare measures and recreational activities are also being continued side-by-side of production to maintain such relations.

The Company had 384 employees on the roll at the end of the year under review as against 369 last year.

CORPORATE GOVERNANCE

The Company has always followed the principles of good Corporate Governance through attaining a highest level of transparency, professionalism, accountability and integrity in its functioning and conduct of business with due respect to laws and regulations of the land.

Necessary measures have been adopted to comply with the requirements of the Listing Agreement with Stock Exchanges wherein the Company's shares are listed. A separate report on Corporate Governance adopted by the Company, which is given in Annexure-C, forms part of this report.

A certificate from the Auditors of the Company regarding the compliance of the conditions of Corporate Governance is attached to this report.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of the requirements of Section 217(2AA) of the Companies Act, 1956, the Directors confirm that;

- (i) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors have prepared the Annual Accounts on going concern basis; and
- (v) Both, the Managing Director and General Manager (Finance) and Company Secretary have furnished the necessary certification to the Board on these financial statements as required under the Clause 49 of the Listing Agreement(s) with the Stock Exchanges where the equity shares of the Company are listed.

DIRECTORS

In accordance with the provisions of the Company's Articles of Association Mr. S. N. Roy and Mr. Shyamal Mitra retire by rotation and, being eligible, offer themselves for re-appointment.

AUDITORS

Messers. V. Singhi & Associates, Chartered Accountants retire as Statutory Auditors at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Audit Committee of Directors recommended the re-appointment of Messers. V. Singhi & Associates, Chartered Accountants as Statutory Auditors to hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of next Annual General Meeting. Messers. V. Singhi & Associates, Chartered Accountants confirmed their eligibility and willingness to continue to act as Statutory Auditors of the Company for the financial year 2010-11, if re-appointed.

COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

Information under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosures of particulars in the report of Board of Directors) Rules, 1988 relating to Conservation of Energy, Technology Absorption and Foreign