

WPIL Limited

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
CITI BANK NA

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

WPIL Limited

NOTICE OF THE ANNUAL GENERAL MEETING TO THE MEMBERS

NOTICE is hereby given that the **FIFTY EIGHTH ANNUAL GENERAL MEETING** of the members of the Company will be held at “Kala Kunj” (Basement) Hall, Kalamandir, 48, Shakespeare Sarani, Kolkata-700017 on Monday, the 6th day of August, 2012 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, 2012, 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 modifications(s) the following resolutions as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 372A and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company hereby accords its consent and approval to the Corporate Guarantee issued on behalf of WPIL International Pte. Limited, Singapore in favour of the ‘Finance Parties’ for securing the obligations of WPIL International Pte. Limited, Singapore towards Facility of USD 8.62 Million (comprising Term Loan of USD 5.62 Million and a stand-by letter of credit of USD 1.00 Million and a working capital of USD 2.00 Million) availed by it from ‘Finance Parties’ together with all interest, default interest, fees and/or remuneration payable to the ‘Finance Parties’, costs, charges, expenses and other monies whatsoever stipulated in or payable.

“RESOLVED FURTHER THAT all actions and/or steps taken by the Company including signing and executing deeds, applications, documents and writings on behalf of the Company in connection with the issuing of the aforesaid Guarantee be and are hereby approved and confirmed.”

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

Date : 23rd June, 2012
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 name are registered at the close of business on 6th August, 2012 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 Saturday, the 28th July 2012 to Monday, the 6th August, 2012 (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 Agreements 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 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. Members 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

WPIL International Pte. Limited, the Company's Subsidiary in Singapore had made financial arrangements for availing a Facility of USD 8.62 Million (comprising of a Term Loan of USD 5.62 Million and a stand-by Letter of Credit of USD 1.00 Million and Working Capital of USD 2.00 Million) from a Syndicate of Banks and Financial Institutions ("Lenders") arranged by AXIS Bank Limited, Singapore Branch (as Arranger and Agent of Lenders) for its business purposes.

As required by Finance Parties (comprising Lenders, Arranger, Agent or any other Party who may be regarded as a Finance Party under the documents entered into between WPIL international Pte. Limited and/or the Lender in relation to the aforesaid Facility), WPIL International Pte. Limited had approached to WPIL Limited, its Holding Company to issue a Corporate Guarantee in favour of the Finance Parties for securing its obligations in relation to the aforesaid Facility together with all interest, default interest, fees and/or remuneration payable to the Finance Parties, costs, charges, expenses and other monies whatsoever stipulated in or payable.

Accordingly the Board of Directors of the Company at their Meeting held on Monday, the 12th March, 2012 issued the aforesaid Corporate Guarantee in favour of Finance Parties.

The consent of the Members is sought as the amount of Facility for which Corporate Guarantee was issued by the Board exceeds the limits specified under section 372A(1) of the Companies Act, 1956.

The Board commends the Special Resolution set out in Item 6 of Notice convening the Meeting for the approval of the Shareholders.

None of the Directors of the Company is concerned or interested in the said Resolutions.

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

Date : 23rd June, 2012
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 44 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) Rukh Exports & Imports (P) Ltd.

WPIL

DIRECTORS' REPORT TO THE MEMBERS

The Directors of the Company have the pleasure in presenting their 58th Annual Report on the business and operations of the Company for the financial year ended 31st March 2012.

FINANCIAL HIGHLIGHTS

	2011-12 (Rs. in Lacs)	2010-11 (Rs. in Lacs)
Total Income	30302.63	21983.37
Profit before interest, Depreciation and Taxation	3949.95	2907.59
Interest	788.66	428.80
Depreciation	197.49	170.59
Profit before Taxation	2963.80	2308.20
Provision for Taxation	979.06	734.88
Profit after Taxation	1984.74	1573.32
Balance brought from previous year	2097.31	1709.18
(including excess provision of tax on Dividend written back for F.Y.2010-11)		
Profit available for appropriation	4082.05	3282.50
Transfer to General Reserve	1500.00	1000.00
Proposed Dividend with Tax on Dividend	185.19	185.81
Balance Carried forward to Balance Sheet	2396.86	2096.69

OPERATIONS

The Company crossed the milestone of Rs.300 crores in revenue and achieved higher profitability in the financial year 2011-12 with the overall improvement of its operational activities. The growth of operational activities of the Company continues to be consistent and balanced during the year under review amidst slow economic activities and downtrend of domestic business environment. The Company remains strongly positioned in its traditional areas of business in manufacturing of pumps and providing pumping systems to its target markets of Power, Industry, Municipal and Irrigation and simultaneously build new business domestically and internationally. The Company has achieved major landmarks in designing and supplying large critical pumps using different technologies such as duplex pumps for sea water applications, concrete volute pumps and water turbines. With the strong order book, increased availability of infrastructural resources and access to new global markets, the Company stands committed to continue its growth and strengthen its position in the market by providing greater value for its shareholders. The Company's global acquisitions, partnerships and collaborations have helped the Company to develop a comprehensive understanding of international geography, evolving technologies and move up the value chain and become a premium supplier of choice.

The standalone revenue of the Company registered steady growth and was Rs.3006.60 Millions for the year ended 31st March, 2012 as against Rs. 2194.86 Millions in the previous year signifying a growth of 36.98%. The standalone net profit after tax for the year ended 31st March,2012 was at Rs. 198.47 Millions as against Rs. 157.33 Millions in the previous accounting year reflecting an increase of 26.15%. Earning per share grew by 26.13 % to Rs 24.91 from Rs.19.75 of last year. This growth in profits is a result of execution of orders with higher value addition primarily from project division in Irrigation and Power sectors and due to capacity expansions previously undertaken. 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.

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, 2012.

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 6th August, 2012 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

Year 2011-12 was a tough year dominated by Euro crisis and its effect on economies all over the world including India. Globally there was less risk appetite and the pressure of financial tightness. In India, alongwith the global environment, we faced complete policy paralysis at both the political and bureaucratic levels. This was caused by series of scams and revelations which eroded the decision making process. As our Company deals with the Governments in both the Municipal and Irrigation sectors, a large number of decisions were pending leading to a shortage of orders in the market. Furthermore, the power sector which had been robust till 2010-11 was plagued by coal supply issues on one end and deteriorating financial health of State Electricity Boards on the other end. The cumulative effects of these lead to less availability of orders. However, the Company's strength and product superiority allowed it to achieve a rapid growth in 2011-12 and provide a strong order book for 2012-13. The Company is enhancing its International business to counter this situation and expects exports to double in the present financial year. Furthermore, the Company is focused on de-risking its business by growing its exports to 25% and gaining substantial portion to its consolidated revenue from its international business.

C. OPERATIONAL REVIEW

The operational performance of the Company was commendable in line with its budget with all 3 divisions achieving large growth in revenues. The strong order book and previous investments in infrastructure allowed the Company to achieve these targets. Most of the sales were achieved through the Power and Irrigation sectors wherein large number of pumps were supplied to NTPC, State Electricity Boards and private producers. The Company continues to have a strong order book to support its growth.

Engineered Pump Division

This division achieved strong growth in its revenues based on the supply of large engineered pumps / concrete volute pumps/water turbines to the Power and Irrigation sector. The division has established itself as a vendor of choice

for critical applications and should see constantly increasing revenues. The division is supplementing its Kolkata facilities with a new facility at Nagpur which would be commissioned by June, 2013. This facility would greatly enhance its capacity and increase its test capability in line with the largest in the world.

Standard Pump Division

This division achieved nearly 50% growth in its revenues with greatly enhanced throughput. Most of these supplies were for the Power and Industrial sector where again the Division is slowly becoming a dominant player. Large investments previously made have allowed this growth in numbers. The extremely strong order book augurs to a continued robust growth in both numbers and revenues.

Importantly the foundry at the division has been expanded with the addition of new induction furnaces and the expansion when complete will have increased capacity by 50% while reducing pollution emission levels by 80%.

Infrastructure Division

The division performed extremely well with a 50% jump in revenues and good progress on all project sites. The strong team dealt with this growth extremely well and brought most of the projects to completion. Large scale piping works and civil construction was undertaken successfully by the division at its sites. The division has gained hugely in capability and is a strong contender in this segment of the business. Most of the sales were for Power and Irrigation sector.

WPIL International Business

The various International businesses of the Company are a major strength and de-risks the business from domestic vagaries. The Company, through its International subsidiary, WPIL International, has made acquisitions globally. The Company found good opportunity to enhance its technical competence, expand its product range and grow its global footprint by acquiring the prestigious business in United Kingdom and Australia.

Mathers Foundry in United Kingdom is the 200 year old Company with cutting edge technology supplying castings to the pump industry for nuclear and oil & gas. The business of this Company would add greatly to WPIL's competency as a pump supplier besides providing a source of supplier of high end castings with nuclear and Norsok approvals. The business has stabilized and is looking very prospective for the future.

Sterling Pumps, Australia is a strong player in Australian oil & gas industry besides supplying to other sectors. Our holding in this Company brings great benefits and allowing its supplies to off-shore platforms of SHELL, CAIRNS and CHEVRON. Furthermore, WPIL's access to markets in Australia is very encouraging for its export business.

WPIL Thailand : Our Thai joint venture established a strong footing in the Thai industry and irrigation sector and should enhance Company's exports. The joint venture has started off on a strong footing and should grow more in the coming years.

D. FUTURE OUTLOOK

The Company, being one of the leaders in pump industry has tremendous potential for further growth both in domestic and international operations. The Company has outlined the growth plan of all the aforesaid divisions to cater to the growing need for its products and services. All divisions are evidencing good order backlog which should translate into higher sales and increased profitability in the future. With the creation of new market in the international sphere and improvement of existing market share of its product and service, the Company is expected to post higher revenue in the coming year amidst decelerated market trend. However the Company is consciously honing its marketing strategies with focus to enhance global print which will supplement its domestic operations.

E. OPPORTUNITIES AND THREAT, RISK AND CONCERNS.

WPIL 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 in the recent past.

The biggest concern are the volatile raw material prices and impact of surging inflation on the other item of inputs. This increase in commodity prices combined with uncertain availability threaten to affect despatches and profitability.

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 recommends 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 up-gradation, 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 430 employees on the roll at the end of the year under review as against 421 last year.

CORPORATE GOVERNANCE

The Company has always followed the principles of good Corporate Government 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 Agreements 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- B, 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 of 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 Article of Association Mr. Samarendra Nath 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 2012-13, 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 Exchange earnings and outgo so far as is applicable to the company are furnished in Annexure-A which forms a part of this Report.

PARTICULARS OF EMPLOYEES

The information required under Section 217(2A) of the Companies Acts, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, is not being furnished since there was no employee during the year who was in the receipt of remuneration exceeding the prescribed limit.

CODE OF CONDUCT

The Company has formulated Code of Conduct in compliance to the requirements of Clause 49 of the Listing Agreements with Stock Exchanges. This code of conduct applies to Board members and Senior Management personnel of the Company. Confirmations towards adherence to the code during the Financial year 2011-12 have been obtained from all Board members and Senior Management personnel in terms of the requirements of Clause 49 of the Listing Agreement and a declaration relating to compliance to this code during the year under review by all Board members and Senior Management personnel has been given by the Managing Director of the Company which accompanies this report.