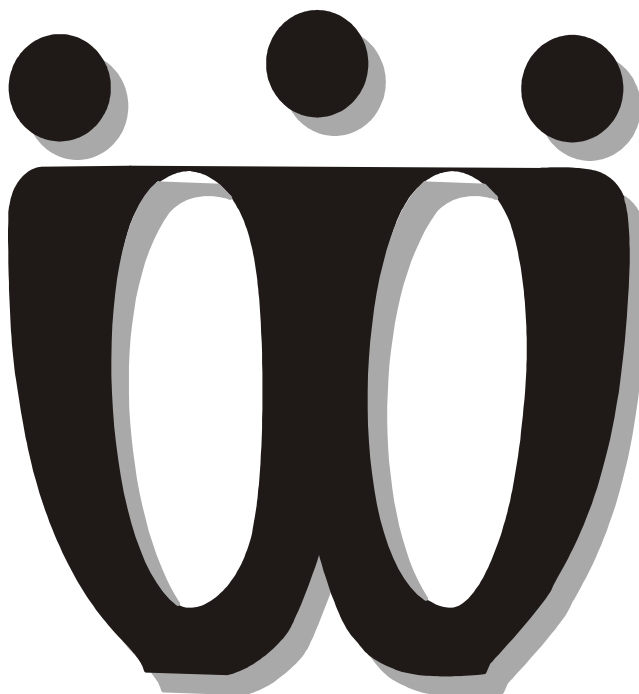


90th ANNUAL REPORT
2009 - 2010



**WALCHAND
PEOPLEFIRST**

WALCHAND PEOPLEFIRST LIMITED



**DALE CARNEGIE®
TRAINING**



PerformanSe
Man as direct participant in his own development



**WALCHAND
DALE CARNEGIE**
FINISHING SCHOOL

SHRMTM
SOCIETY FOR HUMAN
RESOURCE MANAGEMENT

BOARD OF DIRECTORS

Ms. PALLAVI JHA - CHAIRPERSON & MANAGING DIRECTOR

Mr. SANJAY JHA

Mr. M.N. BHAGWAT

Dr. S.C. JHA

Mr. V.K.VERMA

Ms. POONAM BARUA

Mr. RAJEEV DUBEY (with effect from 10th May 2010)

Mr. VIJAY GUPCHUP (with effect from 10th May 2010)

COMPANY SECRETARY

Mr. HARSHAD MANE

COMPLIANCE OFFICER

Mr. VIVEK WADHAVKAR

AUDITORS

M/s. HARIBHAKTI & CO.,

CHARTERED ACCOUNTANTS

BANKERS

STANDARD CHARTERED BANK

BANK OF INDIA

REGISTERED OFFICE

1, CONSTRUCTION HOUSE,

5, WALCHAND HIRACHAND MARG,

BALLARD ESTATE, MUMBAI- 400 001

TEL NO: 22618095/8096, 67818181

FAX: 22617504

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
90TH ANNUAL GENERAL MEETING

DATE : 30-08-2010 (Monday)
TIME : 11.30 A.M.
VENUE : WALCHAND HIRACHAND HALL
INDIAN MERCHANT CHAMBERS,
IMC MARG, CHURCHGATE,
MUMBAI - 400 020.
DATE OF BOOK : September 23, 2009 to September 30, 2009
CLOSURE (BOTH DAYS INCLUSIVE)

CONTENTS	PAGE NO.
NOTICE	1
DIRECTORS' REPORT	7
CORPORATE GOVERNANCE REPORT	11
AUDITORS REPORT	22
BALANCE SHEET	25
PROFIT & LOSS ACCOUNT	26
SCHEDULES TO ACCOUNTS	27
ADDITIONAL INFORMATION UNDER PART IV OF SCHEDULE VI	52
CASH FLOW STATEMENT	53
ATTENDANCE SLIP AND FORM OF PROXY	

NOTICE

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Ninetieth Annual General Meeting of WALCHAND PEOPLEFIRST LIMITED will be held at Walchand Hirachand Hall, Indian Merchants' Chamber, IMC Marg, Churchgate, Mumbai – 400 020 on Monday, August 30, 2010 at 11.30 a.m. to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Amalgamated Balance Sheet as at March 31, 2010, Profit and Loss Account for the Financial Year ended on that date and the Reports of the Auditors' and the Directors' thereon.
2. To appoint a Director in place of Mr. Sanjay Jha, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Dr. S.C. Jha, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. M. N. Bhagwat, who retires by rotation and being eligible, offers himself for re-appointment.

Special Business

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

“RESOLVED THAT M/s. K. S. Aiyar & Co., Chartered Accountants, Mumbai, be and are hereby appointed as the Statutory Auditors of the Company under Section 224 of the Companies Act 1956, in place of retiring Auditors, M/s. Haribhakti & Co., Chartered Accountants, Mumbai who has expressed their unwillingness for re-appointment as Auditors of the Company, to hold office until the conclusion of the next Annual General Meeting, on such remuneration as may be decided by the Board of Directors of the Company.”

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution** :-

“RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, 310 and 311 read with Schedule XIII and all other applicable provisions of Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force) and as approved and recommended by the remuneration committee and the Board, the Company hereby approves re-appointment of Ms. Pallavi Jha, as Managing Director for a further period of 3 (three) years with effect from 26.07.2010 on the terms & conditions including remuneration as are set out hereunder:

A Period of Appointment : 26.07.2010 to 25.07.2013 (3 years)

B Salary:

Rs.21,00,000/- (Rupees Twenty One Lacs) per annum. Increment – as may be decided by the Board of Directors / Remuneration Committee of Directors, from time to time.

C Perquisites:

In addition to Salary, a basket of allowances/perquisites upto Rs. 9 lacs per annum, which will include reimbursement of expenditure or allowances in respect of rent-free furnished accommodation owned, leased or rented by the Company or House Rent Allowances in lieu thereof,

repairs and maintenance of accommodation including furniture, fixtures and furnishings and provision of gas, electricity and water, medical reimbursement, health insurance premium, group personal accident insurance, telephone facility at residence, mobile phone, leave travel concession, for herself and her family; education of self and family, fees for two clubs, fees for two credit cards, Company's car with a driver and maintenance, and any other reimbursements, allowances or perquisites in terms of the Company's Rules.

“Family” mentioned above means the spouse, dependent parent and dependent children of the Managing Director, as mentioned in the applicable Rules or Schemes.

The following shall not be included for the purposes of computation of the Managing Director's remuneration or perquisites as aforesaid:

- (i) Company's contribution to Provident Fund and Superannuation Fund pursuant to the Rules of the Company;
- (ii) Gratuity payable pursuant to the Rules of the Company;
- (iii) Encashment of leave at the end of tenure as per the Rules of the Company.

Perquisites shall be evaluated as per the applicable provisions of the Income Tax Rules.

D. Commission

Such amount for each accounting year as may be decided by the Board subject to the overall limit(s) as stated in point No. E.

- E.** The total remuneration including salary, allowances, perquisites and commission shall not exceed the limits specified in schedule XIII of the Companies Act, 1956.

F. Minimum Remuneration:

Notwithstanding anything hereinabove, where in any financial year during the currency of her tenure as a Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisite as above subject to the ceiling specified under Section II of Part II of the Schedule XIII to the Companies Act, 1956.

- G. Termination:** The appointment is liable for termination by either party giving 6 months' notice in writing to the other.

The terms and conditions of the above appointment may be altered and varied from time to time by the Board of Directors ('the Board' which term shall be deemed to include Remuneration Committee thereof) as it may in its discretion deem fit within the maximum amount payable to the Managing Director in accordance with Schedule XIII to the Companies Act, 1956 or any amendments made hereafter in this regard and as may be agreed to by the Managing Director.

RESOLVED FURTHER THAT wherein any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company may pay to the Managing Director the above remuneration as the minimum remuneration by way of salaries, perquisites and other allowances and benefits as specified above subject to the receipt of the requisite approvals, if any.

RESOLVED FURTHER THAT Ms. Pallavi Jha, being a Director liable to retire by rotation, her re-appointment

as such Director shall not be deemed to constitute a break in her appointment as Managing Director.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors, (herein after referred to as "the Board" which term shall be deemed to include any duly authorised committee thereof, for time being exercising the powers conferred by the Board by the resolution) be and is hereby authorised to take such steps and to do all such acts, deeds, matters and things as may, in its absolute discretion, deem necessary or desirable or to settle any question or difficulty that may arise in such manner as it may deem fit and also, to make such alterations and modifications, as may be required within the limits of Schedule XIII of the Companies Act, 1956."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution :-**

"RESOLVED THAT in accordance with the provisions of sections 198, 269, 309, 310 and 311 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force) and as approved and recommended by the Remuneration Committee and the Board, the Company hereby approves re-appointment of Mr. Sanjay Jha, as Whole-Time Director, for a further period of 3 (three) years with effect from 27.07.2010 on the terms & conditions including remuneration as are set out hereunder:

A Period of Appointment : 27.07.2010 to 26.07.2013 (3 years)

B Salary :
Rs.21,00,000/- (Rupees Twenty One Lacs) per annum.
Increment – as may be decided by the Board of Directors /Remuneration Committee of Directors, from time to time.

C Perquisites:
In addition to Salary, a basket of allowances/perquisites upto Rs. 9lacs per annum, which will include reimbursement of expenditure or allowances in respect of repairs and maintenance of accommodation including furniture, fixtures and furnishings and provision of gas, electricity and water, medical reimbursement, health insurance premium, group personal accident insurance, telephone facility at residence, mobile phone, leave travel concession, for himself and his family; education of self and family, fees for two clubs, fees for two credit cards, Company's car with a driver and maintenance, and any other reimbursements, allowances or perquisites in terms of the Company's Rules.

"Family" mentioned above means the spouse, dependent unmarried sister and dependent children of the Whole Time Director, as mentioned in the applicable Rules or Schemes.

The following shall not be included for the purposes of computation of the Whole Time Director's remuneration or perquisites as aforesaid:

- (i) Company's contribution to Provident Fund and Superannuation Fund pursuant to the Rules of the Company;
 - (ii) Gratuity payable pursuant to the Rules of the Company;
 - (iii) Encashment of leave at the end of tenure as per the Rules of the Company.
- Perquisites shall be evaluated as per the applicable

provisions of the Income Tax Rules.

D. Commission

Such amount for each accounting year as may be decided by the Board subject to the overall limit(s) as stated in point No. E.

E. The total remuneration including salary, allowances, perquisites and commission shall not exceed the limits specified in schedule XIII of the Companies Act, 1956.

F. Minimum Remuneration:

Notwithstanding anything hereinabove, where in any financial year during the currency of his tenure as Whole Time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisite as above subject to the ceiling specified under Section II of Part II of the Schedule XIII to the Companies Act, 1956.

G. Termination: The appointment is liable for termination by either party giving 6 months' notice in writing to the other.

The terms and conditions of the above appointment may be altered and varied from time to time by the Board of Directors ('the Board' which term shall be deemed to include Remuneration Committee thereof) as it may in its discretion deem fit within the maximum amount payable to the Whole Time Director in accordance with Schedule XIII to the Companies Act, 1956 or any amendments made hereafter in this regard and as may be agreed to by the Whole Time Director.

RESOLVED FURTHER THAT wherein any financial year during the currency of the tenure of the Whole Time Director, the Company has no profits or its profits are inadequate, the Company may pay to the Whole Time Director the above remuneration as the minimum remuneration by way of salaries, perquisites and other allowances and benefits as specified above subject to the receipt of the requisite approvals, if any.

RESOLVED FURTHER THAT Mr. Sanjay Jha, being a Director liable to retire by rotation, his re-appointment as such Director shall not be deemed to constitute a break in his appointment as Whole Time Director.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors, (herein after referred to as "the Board" which term shall be deemed to include any duly authorised committee thereof, for time being exercising the powers conferred by the Board by the resolution) be and is hereby authorised to take such steps and to do all such acts, deeds, matters and things as may, in its absolute discretion, deem necessary or desirable or to settle any question or difficulty that may arise in such manner as it may deem fit and also, to make such alterations and modifications, as may be required within the limits of Schedule XIII of the Companies Act, 1956."

By order of the Board

Harshad Mane
Company Secretary

Place : Mumbai
Date : July 20, 2010

Registered Office:
1, Construction House,
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. Under the Companies Act, 1956, voting is by a show of hands unless a poll is demanded by a member or members present in person, or by proxy, holding at least one-tenth of the total shares entitled to vote on the resolution or by those holding paid-up capital of at least Rs. 50,000. 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. Members/Proxies should bring duly-filled Attendance Slips sent herewith to attend the meeting.
3. Members who hold shares in dematerialised 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.
4. 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.
5. The Register of Members and Share Transfer Books of the Company will remain closed from August 23, 2010 to August 30, 2010 (both days inclusive) for the purpose of Annual General Meeting.
6. Members holding shares in physical form and desirous of making/changing nomination in respect of their shareholding in the Company, may send their request in the prescribed form 2B to the Registrar & Transfer Agents of the Company.
7. Corporate Members are requested to send to the Company, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
8. Members desirous of obtaining any information on the Accounts and Operations of the Company are requested to write at least one week before the meeting so that the same could be compiled in advance.
9. Members are requested to notify changes, if any, in their registered addresses along with the pin code to the Company's Registrar and Share Transfer Agent.
10. Members are requested to bring their copy of Annual Report to the Meeting.
11. All documents referred to in the notice are open for inspection at the registered office of the Company between 10.30 A. M. and 1.00 P.M. on all working days up to the date of the Meeting.
12. Members whose shareholding is in electronic mode are requested to direct change of address notifications and updations of savings bank account to their respective Depository Participants.
13. Member 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: 2635001-2, Fax No.: 22635005, Email : helpdesk@computechsharecap.com
14. 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 section

205 C of the Companies Act, 1956, be transferred to the Investor Education and Protection Fund.

15. The following are the details of dividend paid by the Company and its respective due date of transfer to such fund of the Central Government, which remain unpaid.

Sr. No.	Date of Declaration	Dividend for the year	Due date of transfer to the Government
1	30 th January, 2006	Interim Dividend 2005-06	01 st March, 2013
2	31 st August, 2006	Final Dividend 2005-06	30 th September, 2013
3	27 th July, 2007	Final Dividend 2006-07	26 th August, 2014
4	30 th September, 2008	Final Dividend 2007-08	29 th October, 2015

It may be noted that no claim of the shareholders will be entertained for the unclaimed dividend which has been transferred to the credit of the Investor Education & Protection Fund of the Central Government under the provisions of Section 205(B) of the Companies Act, 1956. 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.

16. 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 31st March, 2010 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 & Protection Fund (Rs.)	Date of transfer to Investor Education & Protection Fund
NIL	NIL	NIL	NIL	NIL

17. As per the provisions of the Companies Act, 1956, 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 Transfer Agents of the Company.
18. 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.

EXPLANATORY STATEMENT

As required by Section 173 (2) of the Companies Act, 1956.

Item No. 5

M/s. Haribhakti & Co., Chartered Accountants, Mumbai the retiring Auditors of the Company have expressed their unwillingness to be reappointed as the Auditors of the Company, vide their letter dated 15th July, 2010. The Board of Directors recommend the appointment of M/s. K. S. Aiyar & Co, Chartered Accountants as the statutory Auditors of the Company in place of M/s. Haribhakti & Co., Chartered Accountants to hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting.

Item No. 6 & 7

At the Eighty-fourth Annual General Meeting held on July 27, 2007, members of the Company approved the appointment of Ms. Pallavi Jha as Managing Director for a period of 3 years from 26.7.2007. The tenure of her appointment expires on 25.7.2010. The members also approved the appointment of Mr. Sanjay Jha as Whole-Time Director for a period of 3 years from 27.07.2007. The tenure of his appointment expires on 26.7.2010.

It is in the interest of the Company to continue to avail the services of Ms. Pallavi Jha and renew her appointment as Managing Director and of Mr. Sanjay Jha and renew his appointment as Whole time Director. The Remuneration Committee comprising of independent Directors namely Dr. S.C. Jha, Mr. M.N. Bhagwat and Mr. V. K. Verma, approved and recommended the remuneration as set out in the body of the resolution which the Board has agreed to offer by its resolution dated 28.06.2010. The remuneration is well within the ceiling limits of remuneration under applicable statutory provisions and schedule XIII of the Companies Act, 1956. The Company has not made any default in repayment of any of its debts (including deposits) or debentures or interest payable thereon for continuous period of 30 days in the preceding financial year before the date of re-appointment of the Managing Director and the appointment of Whole time Director.

The Board recommends these special resolutions for your approval.

Ms. Pallavi Jha and Mr. Sanjay Jha are interested in the resolutions as it pertains to re-appointment of Managing Director and appointment of Whole time Director respectively and remuneration payable to them. None of the other Directors of the Company is in any way concerned or interested in these resolutions.

This explanation together with the notice is and should be treated as abstract of the terms of re-appointment of Ms. Pallavi Jha as Managing Director of the Company and appointment of Mr. Sanjay Jha as a Whole time Director of the Company and a Memorandum as to the nature of the concern or interest of the Directors in the said re-appointments, as required under Section 302 of the Companies Act, 1956.

Information required on the matter pursuant to Section II 1(B)(iv), Part II of Schedule XIII to the Act is annexed herewith.

By order of the Board

Harshad Mane
Company Secretary

Place : Mumbai
Date : July 20, 2010

INFORMATION / DISCLOSURE STATEMENT

Annexure to the Notice convening the Ninetieth Annual General Meeting to be held on August 9, 2010 pursuant to Section II 1(B)(iv), Part II of Schedule XIII of the Companies Act, 1956 (the Act) in respect of item 6 & 7 of the Notice pertaining to re-appointment of Managing Director and re-appointment of Whole time Director respectively and their remuneration.

I. GENERAL INFORMATION:

- (1) **Nature of Industry:**
The Company is in the business of specialised sector of Training and Development dedicated to capacity building among corporates, institutions and individuals.
- (2) **Date or expected date of commencement of commercial production:**
Not applicable as the Company is an existing Company.
- (3) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus :**
Not applicable.
- (4) **Financial performance based on given indicators – as per audited financial results for the year ended March 31, 2010.**

Particulars	2009-10
Income from operations	1068.71
Other Income	138.02
Profit/(Loss) before interest, depreciation and taxation	14.53
Net Profit /(Loss)	(127.84)
Profit as computed under Section 309 (5) read with Section 198 of the Companies Act, 1956.	-
- (5) **Export performance and net foreign exchange collaborations for the year ended March 31,2010 :**
The Company utilized foreign exchange amounting to Rs. 155.59 lacs and earned foreign exchange amounting to Rs. NIL.
- (6) **Foreign investment or collaborations, if any :**
The Company is a franchisee of Dale Carnegie Associates in India and offers the training programs and courses through its trained and certified faculty.

II. INFORMATION ABOUT THE APPOINTEE:

(1) **Background details:**

Ms. Pallavi Jha :

Ms. Pallavi Jha is an MBA from the Syracuse University, New York. She has played a key role in the successful restructuring, of the Walchand Group of Companies, one of India's largest business groups with interests in civil construction, heavy engineering, automobiles, sugar and confectionary and finance and investment, involving several M&A initiatives and having international partnerships with some of the world's leading firms and brands such as Dale Carnegie, USA (training), SHRM, USA (HR Certification) and PerformanSe, France (Assessments). She has been a vocal spokesperson for industry associations, and has chaired and moderated panel discussions involving India's leading business leaders.

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 Proctor & Gamble.

She has been the overall in-charge of the Company and guiding its affairs with determination and zeal and looking after its entire business activities since May 1996, as President & CEO (Manager as defined u/s. 2(24) of the Companies Act, 1956) upto 25.7.1999 and thereafter as Managing Director. She is responsible for the new business directions of the Company in the Performance Enhancement sector.

Mr. Sanjay Jha :

Mr. Sanjay Jha joined the Board as a Directors of the Company on September 23rd 1999. Mr. Jha aged 46 years, is an MBA from XLRI (Jamshedpur) and also holds postgraduate degree in Economics from Gokhale Institute of Politics & Economics, University of Pune. In his prior assignment Mr. Jha was Senior Vice President with ITC-Thread needle AMC Limited (a subsidiary of BAT, plc) in charge of Marketing & Sales. Prior to that he was Vice President, Alliance Capital, New York (USA), Assistant Vice President, Bank of America and Senior Manager (Marketing) with ANZ Grindlays Bank Plc. He is a regular columnist in newspapers and a visiting professor at business schools. He is also active in various industry forums and is speaker on various panels. He is the Founder of Cricketnext.com, a top global website on cricket. Director of Walchand Netsoft Private Limited and the Director of Walchand & Company Private Limited.

(2) Past remuneration (for the financial year ended March 31, 2010) :

Ms. Pallavi Jha

Particulars	Amount (Rs. In lacs)
Salary	24.00
Contribution to P.F. Gratuity and Superannuation Fund	6.00
Perquisites	6.32
Sitting Fees	Nil
Total	36.32

Mr. Sanjay Jha Particulars	Amount (Rs.)
Salary	24.00
Contribution to P.F. Gratuity and Superannuation Fund	6.00
Perquisites	6.40
Sitting Fees	Nil
Total	36.40

(3) Recognition or awards:-

Ms. Pallavi Jha: Nil

Mr. Sanjay Jha: Nil

(4) Job profile and their suitability:-

Ms. Pallavi Jha

Same as above in item no. 1

Mr. Sanjay Jha

Same as above in item no. 1

(5) Remuneration proposed:

Ms. Pallavi Jha

Same as mentioned in body of Resolution No. 7

Mr. Sanjay Jha

Same as mentioned in body of Resolution No. 8

(6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person :

Taking into consideration the size of the Company, the profile of Ms. Pallavi Jha, Chairperson and Managing Director and Mr. Sanjay Jha, Whole Time Director the responsibilities shouldered by them and industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterparts in the companies.

(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any :

Ms. Pallavi Jha :

Ms. Pallavi Jha is interested in the resolution as it pertains to her re-appointment and remuneration payable to her. Mr. Sanjay Jha, being husband is deemed to be concerned or interested in the resolution at item no. 6. None of the other Directors of the Company is in any way concerned or interested in this resolution.

Mr. Sanjay Jha

Mr. Sanjay Jha is interested in the resolution as it pertains to his appointment and remuneration payable to him. Ms. Pallavi Jha, being his wife is deemed to be concerned or interested in the resolution at item no. 7. None of the other Directors of the Company is in any way concerned or interested in this resolution.

(III) OTHER INFORMATION:-

(1) Reasons for loss or inadequate profits :

The Company's subsidiary Walchand TalentFirst Ltd which was carrying on Dale Carnegie business has suffered loss on account economic downturn. The subsidiary has been amalgamated with the Company with retrospective effect from 01st April, 2009.

(2) Steps taken or proposed to be taken for improvement :

Your Company has completed the merger of its subsidiary as per the Scheme of Amalgamation in the year 2009-2010. Your Company now has fully consolidated its operations and it is expanding its operations across India. The Company has brought about a significant cost-rationalization and improvement in process control while focusing on building the revenue pipeline.

(3) Expected increase in productivity and profits in measurable terms :

Indian Industry is expected to expand aggressively over the next two decades. As a consequence, there is onto enhances creation of jobs as well as for skills development. The Training Industry, as a result, is in full-focus and an important player in the Indian Economy. The focus has shifted towards Effectiveness, resulting in greater emphasis on increasing managerial skills both in quality and quantity. Training need are with a growing complexity of requisite soft skills like leadership, innovation, interpersonal skills, communication, cross-cultural training, selling skills, self-motivation, teamwork and negotiation skills that companies need amongst their talent pool. Industry recognizes that to achieve their visions the only sustainable competitive advantage that cannot be duplicated in today's competitive world is the quality, drive, enthusiasm and leadership ability of the people.

The Company has been showing a 80-100% improvement in its revenue and profitability over the past two years. It expects the strong trend in performance to continue.

INFORMATION UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING RE – APPOINTMENT OF DIRECTORS.

Mr. Sanjay Jha

Mr. Sanjay did his graduation in Economics with distinction from Fergusson College, Pune, MA (Economics) from the Gokhale Institute of Politics and Economics, University of Pune and MBA from XLRI Jamshedpur.

He is Founder of Cricketnext.com; the world's most popular cricket portal. He was also successful in launching the Top 200 Fund and the High Interest fund with Zurich Financial (earlier known as Threadneedle AMC Ltd.) wherein he was a Senior Vice President in charge of Marketing & Sales of mutual funds.

As a Vice President he had a successful career record at Alliance Capital, New York (USA), wherein he was responsible for launching, distribution, sales, marketing and advertising of offshore and local funds. He has also gained wide experience in both Corporate and Retail Banking while working as an Assistant Vice President to Bank of America and Senior Manager (Marketing) with ANZ Grindlays Bank Plc.

He is also known for conducting professional Management Development Programs in the areas of Marketing, Media Training, Internet Branding, Dot com Funding and Crisis Management and several other training programs on behavioral skills, management development, and corporate communications wherein the participants were from reputed Companies such as Bharat Petroleum, Philips India, ICICI, UTI, BSE, IDBI.

He is a regular columnist and contributor with several newspapers and magazines such as Business Standard, Business Today, Mid-Day, Indian Express etc. and a visiting faculty at several leading business schools including IIM, Sydhnam Management Institute, Symbiosis Institute of Business Management/ Mass Communications etc.

He has also written a book of poems titled, "When I Wondered About You." And "Eleven" book on cricket and appeared as an expert commentator on various issues on various TV Channels.

Dr. Satish C. Jha

Dr. Satish C. Jha has done his M.A. from Patna University and M. Sc. & Ph. D., in Agriculture Economics from the prestigious Stanford University and University of Illinois, USA.

He was a Consultant to the Economic Commission for Asian and Pacific (UN) during 1995-96. Prior to this, he was Director of Research – Indian Society of Agricultural Economics, Bombay during 1963-68 and Director & Chief Economist – Asian Development Bank, Manila, Philippines during 1968-1994.

He was on the Board of The Delhi Stock Exchange Association Ltd. He is also active in various industries forums and has delivered number of keynote addresses in various forum of topical interest.

Disclosure Pursuant to Clause 49 (IV) (E) (V) of the Listing Agreement: Shareholding of Dr. S.C. Jha (both own or held by / for other persons on a beneficial basis) as on June 28, 2010 is Nil.

Mr. M.N. Bhagwat

Mr. M.N. Bhagwat did his Bachelors Degree in Mechanical & Electricals Engineering from the University of Illinois, USA and Diploma in Business Management from the prestigious Bajaj Institute of Management Studies, Mumbai.

He worked in various senior positions both in India and abroad which includes Blue Star Ltd., Yokogawa Blue Star Ltd., Total Mechanical Systems Inc. USA Skidmore, Owings & Merrill, Chicago, USA and Managing Director of Tata Sons Limited and heading the Corporate Assurance Group, which administers the Tata Brand Equity and the Tata Code of Conduct. He is the Chairman of the Audit Committee of our Company.

Disclosure Pursuant to Clause 49 (IV) (E) (V) of the Listing Agreement: Shareholding of Mr. M.N. Bhagwat (both own or held by / for other persons on a beneficial basis) as on June 28, 2010 is Nil.

DIRECTORS' REPORT

The Members of

WALCHAND PEOPLEFIRST LIMITED

Your Directors present herewith the 90th Annual Report together with the Audited Statement of Accounts and Auditors' Report thereon for the Financial Year ended March 31, 2010.

1. FINANCIAL RESULTS

(Rs. in Lacs)

	Financial Year ended 31.03.2010	Financial Year ended 31.03.2009
Profit before interest, depreciation and taxation	14.53	53.30
Less: Interest	36.35	4.49
Less: Depreciation/Amortisation	54.08	19.60
Provision for Taxation - Current / earlier years	3.45	1.26
	93.88	25.35
	(79.35)	27.95
Deferred Tax recognized	(48.49)	(146.58)
Net Profit	(127.84)	(118.63)
Add: Balance brought forward	1158.50	1158.50
Less: Adjustments to General Reserves	(1075.23)	N.A
Amount available for appropriation	83.27	1158.50
Final Dividend	0	0
Dividend Tax	0	0
Balance carried to Balance Sheet	83.27	1277.13
Total	83.27	1158.50

*Due to Amalgamation of Walchand Talentfirst limited with the Company vide order of High Court of Mumbai dated 09th April 2010 with effective date 1st April 2009, previous year figures are not comparable with this year figures.

2. DIVIDEND

Your Directors have decided not to recommend any dividend for the year ended 31st March, 2010, in view of losses.

3. DIRECTORS

Pursuant to the Scheme of Amalgamation of the Company's subsidiary Walchand TalentFirst Ltd. with the Company, Mr. Rajeev Dubey and Dr. Vijay Gupchup were appointed as Directors with effect from May 7, 2010.

4. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO (Section 217(1)(e) of the Companies Act, 1956)

Particulars required to be furnished by the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 are as follows:-

- Rule 2(A) pertaining to Conservation of Energy and Rule 2(B) pertaining to Technology absorption are not applicable to the Company.
- Foreign exchange inflow and outflow – Rule 2(C):

(Rs. in Lacs)

(a) EXPENDITURE IN FOREIGN CURRENCY	Financial Year ended 31.03.2010	Financial Year ended 31.03.2009
Professional Fees/Franchise Fee	NIL	NIL
Royalty Remitted	154.42	NIL
Traveling Expenses	1.07	NIL
Others	0.10	NIL
(b) EARNING IN FOREIGN CURRENCY	NIL	NIL

5. MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure & Analysis

The global economy, following two years of crisis, has begun to recover with world growth bouncing back from negative territory in 2009 to about 3.9% during the year. However, the recovery is proceeding at different speeds around the world.

The Indian economy continues to be one of the fastest growing economies and the recovery from the slowdown witnessed in the aftermath of the global crisis has been sharper than what was generally anticipated. India is poised to be the world's engine of economic growth in the coming decades, given that Indians will account for 22 per cent of the increase in world's workforce over the period of 2020-2050.

Yet, despite our country's impressive economic performance and its immense potential there are valid concerns that our growth process needs to be more inclusive and sustainable. In the medium term, per capita income cannot be increased without addressing the twin issues of Education and Employability of the workforce. While the government is investing considerable resources in Education, the private sector needs to address the disconnect between educational qualification and employability, or possession of requisite skills by the workforce.

The creation of a skilled workforce is integral to the strategy for sustaining our growth momentum and achieving double digit growth. According to the Confederation of Indian Industry, one percentage increase in the GDP can translate into an additional 0.8 – 1 million jobs. Enhancing the skill-sets of the nearly 10-12 million individuals who enter the workforce every year is therefore essential to attaining and sustaining a 10 percent growth rate.

However, it is important to note that for education to contribute significantly to economic growth and development, it must be of high quality to meet the skill-demand needs of the economy. The massive

expansion of higher and technical education sector in last few years in India has led to a major quality problem. There is a considerable difference in the quality of students / engineers graduating and the kind of talent industry demands. Thus, we have huge supply of graduates but it is not aligned to the industry requirements.

Excellence in Education and Skill Development would not